

**Administrative Rules
JOBS IMPACT STATEMENT**

1. BACKGROUND INFORMATION

Agency:	Environmental Protection Commission (Commission) / Department of Natural Resources (Department)
IAC Citation:	567 IAC Chapters 20, 21, 22, 23, 25, 26, 27, 28, and 33.
Agency Contact:	Christine Paulson (515) 725-9510
Statutory Authority:	Iowa Code sections 17A.7(2), 455B.133, 455B.139 and 455B.145. United States Clean Air Act Sections 110(a)(2)(C) (42 USC §7410), 111 (42 USC §7411) 112 (42 USC §7412) and 501-507 (42 USC §7661a)
Objective:	<p>The purpose of the proposed air quality rule changes is to:</p> <ol style="list-style-type: none"> 1) Rescind unnecessary rules and update other rules to provide regulatory certainty and flexibility. The proposed rules will implement a portion of the Department of Natural Resources' (Department's) 5-year rules review plan to accomplish the requirements of Iowa Code section 17A.7(2). 2) Offer uniform rules by making changes that match federal regulations and eliminate inconsistency between federal and state rules. By adopting federal updates into state administrative rules, the Commission is ensuring that Iowa's air quality rules are no more stringent than federal regulations. Additionally, the updates allow the Department, rather than the EPA, to be the primary agency to implement the air quality requirements in Iowa, thereby allowing the Department and its partners to provide compliance assistance and outreach to affected facilities.
Summary:	<p>The proposed rule changes continue previous efforts in the Department's rules review plan to identify rules that can be rescinded or amended because they are outdated or obsolete. The proposed changes improve rules for several air quality programs, including construction permits, Title V permits, Prevention of Significant Deterioration (PSD), and testing and monitoring methods.</p> <p>The rule changes also include adoption of revisions to federal air toxics standards and new source performance standards that are not currently under reconsideration or litigation. Most of the changes affect existing federal standards that are already adopted by reference, but EPA has since amended. Adopting EPA's amendments allows state rules to be consistent with federal regulations, and provides certainty to affected businesses and other interested stakeholders.</p>

2. JOB IMPACT ANALYSIS

<input type="checkbox"/> <i>Fill in this box if impact meets these criteria:</i>
<input checked="" type="checkbox"/> No Job Impact on private sector jobs and employment opportunities in the State.
<input type="checkbox"/> Job Impact cannot be determined.

<input checked="" type="checkbox"/> <i>Fill in this box if impact meets either of these criteria:</i>
<input checked="" type="checkbox"/> Positive Job Impact on private sector jobs and employment opportunities in the State.
<input checked="" type="checkbox"/> Negative Job Impact on private sector jobs and employment opportunities in the State.
<i>Description and quantification of the nature of the impact the proposed rule will have on private sector jobs and employment opportunities:</i>
<p>After analysis and review, the Department has determined that most of the proposed changes will have no impact on private sector jobs, or will have a positive impact on private sector jobs. These amendments rescind unnecessary rules, update other rules, and streamline the rules to provide regulatory certainty and, in many cases, regulatory flexibility. Affected businesses and the public benefit from clear and up-to-date air quality requirements. These amendments also implement a portion of the Department’s 5-year rules review plan as required under Iowa Code section 17A.7(2).</p> <p>Additionally, most of these amendments make changes that match federal regulations and eliminate inconsistency between federal and state rules. By adopting federal updates into state rules, the Commission is ensuring that Iowa’s air quality rules are no more stringent than federal regulations.</p> <p>For the adopting of new and amended new source performance standards and air toxics standards, the Department has determined that jobs could be impacted. However, the proposed amendments are only implementing federally mandated regulations. The amendments are identical to the federal regulations and would not impose any regulations on Iowa businesses not already required by federal law. None of the federal standards proposed for adoption are under reconsideration or litigation.</p> <p>In some cases, the revised federal standards proposed for adoption provide more flexibility and potential cost savings for affected businesses, offering a positive impact on private sector jobs. Further, the proposed amendments allow the Department rather than EPA to be the primary agency to implement the standards in Iowa, thereby allowing the Department and its partners to provide compliance assistance to affected facilities.</p> <p>The Department estimated potential impacts from adopting the new and revised federal New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP), as described below. (Please also see the attached summary table for a complete list of all NSPS and NESHAP proposed for adoption.)</p>

Chromium Electroplating (NESHAP – amended standard)

The Department estimates that eleven existing facilities are affected by these amendments. Facilities were required to comply with new work practice standards by March 19, 2013. Some facilities were also required to comply with new emissions control requirements by September 19, 2014. Upon adoption of the amended NESHAP, the Department will work with affected facilities to provide compliance assistance, as needed. Additionally, affected area sources that are small businesses are eligible for free assistance from the Iowa Air Emissions Assistance Program (IEAEP) through the University of Northern Iowa.

Wood Furniture Manufacturing (NESHAP – amended standard)

The Department estimates that nine existing facilities are subject to the NESHAP amendments. EPA's revisions establish a work practice limit to reduce formaldehyde emissions. Facilities were required to comply with the new requirements by November 21, 2014. Upon becoming the delegated authority for the updated standards, the Department will offer outreach to facilities that need help complying with the new requirements.

Nitric Acid Plants (NSPS – new and amended standards)

These amendments affect one existing fertilizer plant that underwent expansion and one new fertilizer plant currently under construction. The facilities must comply with the updated NSPS upon start-up of the affected equipment.

Portland Cement Manufacturing (NSPS and NESHAP – amended standards)

EPA published amendments on February 12, 2013, in response to a federal court decision and requests for reconsideration that occurred after EPA issued earlier amendments in 2010. EPA extended compliance dates and provided additional flexibilities from the 2010 rules. EPA estimates that new amendments resulted in significant cost savings from the 2010 rules. Three existing facilities are affected by the amended standards (one facility is not currently operating).

Pesticide Active Ingredients (NESHAP – amended standard)

One facility is affected by the amendments. The NESHAP required compliance with some requirements by March 27, 2014, and facilities will have until March 27, 2017, to comply with other new requirements.

Natural Gas Transmission and Storage (NESHAP – amended standard)

One facility has notified the Department that the facility is subject to the new NESHAP requirements. The facility is planning to comply with the requirements by the October 15, 2015, compliance date.

Categories of jobs and employment opportunities that are affected by the proposed rule:
Cement plants, fertilizer plants, pesticide ingredient manufacturing, chromium electroplaters, wood furniture manufacturing, and natural gas transmission and storage facilities.

Number of jobs or potential job opportunities:
Cannot be determined at this time.

<i>Regions of the state affected:</i> All regions of the state.
<i>Additional costs to the employer per employee due to the proposed rule: (if not possible to determine, write “Not Possible to Determine.”)</i> No additional costs to the employer.

3. COST-BENEFIT ANALYSIS

The Agency has taken steps to minimize the adverse impact on jobs and the development of new employment opportunities before proposing a rule. See the following Cost-Benefit Analysis:

No other less intrusive or expensive method exists for achieving the purpose of the proposed rules.
