

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2543  
**Version:** Second engrossment

**DATE:** March 21, 2014

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**Subject:** Environmental Permitting and Regulatory Modifications

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### Overview

This bill makes a number of changes affecting environmental permitting and regulations, including: modifying the permitting efficiency goals of the Department of Natural Resources (DNR) and Pollution Control Agency (PCA); expanding expedited permit and review options; expanding PCA's authority to allow water quality pollution trading/offsets; extending the term of nonfederal state disposal system (SDS) permits; modifying the PCA's administrative penalty order authorities; and allowing PCA to issue citations for certain subsurface sewage treatment system (SSTS) violations.

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- 1 Electronic submittal data.** Adds § 13.741, subd. 4. Classifies preliminary data in the PCA's online data submission system as private or nonpublic under the Data Practices Act (once the data is submitted and transmitted to the PCA it becomes public unless otherwise classified by law).
- 2 Permitting efficiency.** Amends § 84.027, subd. 14a. Modifies the DNR's permitting efficiency goal to provide for two different "tiers" of permits. Tier 1 permits would have a goal of being issued or denied within 90 days and Tier 2 permits would keep the existing 150 day goal. Modifies the department's permitting efficiency reporting requirements to make the report an annual report rather than a biannual report. The changes would become effective January 1, 2015.

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- 3**        **Expediting costs; reimbursement.** Amends § 84.027. Allows an applicant applying for a permit issued by the DNR to offer to reimburse the department for staff time/consultants in order to expedite the permit/environmental review process. Appropriates any reimbursements received by the commissioner to the commissioner for purposes of the permit/review. States that reimbursements shall not affect the decisions of the commissioner.
- 4**        **Generally.** Amends § 115.03, subd. 1. States that the term for SDS permits (not including federal permits) may not exceed ten years (they are currently issued for five year terms).
- 5**        **Pollutant loading offset.** Amends § 115.03, subd. 10. Expands the authority of the PCA to issue permits that allow pollutant discharges to be offset by pollutant reductions from other sources (water quality “trading”) provided the changes result in a net decrease in pollutant loading to the water body. Current law allows this only prior to the completion of a total maximum daily load (TMDL). Requires the agency to track the trades.
- 6**        **Tank fee.** Amends § 115.551. Modifies the process that septic system tank installers use when submitting a tank fee to require installers to submit a form showing the number of tanks installed in the previous calendar year and requiring payment 30 days after receiving an invoice from the commissioner.
- 7**        **Permitting efficiency.** Amends § 116.03, subd. 2b. Modifies the PCA’s permitting efficiency goal to provide for two different “tiers” of permits. Tier 1 permits would have a goal of being issued or denied within 90 days and Tier 2 permits would keep the existing 150 day goal. Modifies the agency’s permitting efficiency reporting requirements to make the report an annual report rather than a biannual report. The changes would become effective January 1, 2015. States that “Tier 1 permits” are permits that do not require individualized actions or public comment periods and “Tier 2 permits” are permits that require individualized actions or public comment periods.
- 8**        **Permit fees.** Amends § 116.07, subd. 4d. Expands the expedited permit review process by allowing applicants applying for PCA permits to reimburse the agency for staff time/consultants for the permit development process and analysis of environmental review documents (current law allows this only for permit review). Also allows reimbursement for modification to permits (current law allows it for permits for the construction or expansion of a facility). States that reimbursements shall not affect environmental review decisions (current law already states it should not affect permit decisions).
- 9**        **Amount of penalty; considerations.** Amends § 116.072, subd. 2. Increases the maximum administrative penalty order amount the PCA can impose for violations of the agency’s laws and rules found during inspections/other compliance reviews from \$10,000 to \$20,000. Modifies the application of the maximum amount so that it applies to violations and not all violations identified during an inspection or other compliance review. Allows the commissioner to adjust the maximum amount for inflation every five years beginning July 1, 2019.
- 10**       **Authority to issue.** Amends § 116.073, subd. 1. Allows designated PCA staff to issue citations to people violating certain SSTS rules, such as failing to obtain a permit, working

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without a license or proper bond requirements, failing to treat septage (solids and liquids removed from SSTs), or failing to produce or maintain adequate records.

- 11**      **Penalty amount.** Amends § 116.073, subd. 2. Establishes penalty amounts for new citations allowable under section 10, including: \$500 per violation (maximum of \$2,000) for failing to comply with SSTs licensing and surety bond requirements, failing to provide control measure to prevent the discharge of septage, or failing to treat it; and \$250 (maximum of \$2,000) for failing to produce/maintain adequate records.
- 12**      **Minnesota Business First Stop.** Amends § 116J.035, subd. 8. Updates the provisions pertaining to Minnesota Business First Stop to correspond with the additions made to the expedited permitting processes made in this bill, including adding a reference to reviews and stating that reimbursements shall not affect agency decisions.
- 13**      **Rulemaking.** Requires the PCA to amend the rules governing state disposal system permits to accommodate the increase in the term length to ten years made earlier in the bill and allows the commissioner to use the good cause exemption to do so.