

Ensure Fund Stability & Maximize Fund Usage	Technical Corrections/Minor Changes	Enhanced Protection of Public Health & the Environment
---	-------------------------------------	--

Division	Title and Description
Waste Programs	<b>Remove One Time Authority to Increase Solid Waste Permit Fees; Add Authorities for Additional Fees; Update and Clarify various Solid Waste requirements - Emergency Clause</b>
	<p>Removes one-time rulemaking authority in statute to allow the Department to assess and appropriately raise fees; reduced duplicative JLBC review requirement; moves landfill disposal fees into rule; adds new fee authorities related to lead-acid battery site registration, used oil handlers, special waste generators and transporters, facility plan approval, and regulation of required best management practices.</p> <p><input checked="" type="checkbox"/> <b>Tied to EBR</b> - ADEQ is requesting a one-time General Fund infusion to the Solid Waste Fee Fund (SWFF) until fees can be adjusted.</p>
Water Programs	<b>Redirect All Municipal Water Delivery System Operating Taxes in the Safe Drinking Water Fund</b>
	<p>Removal of the \$1,800,000 limit in A.R.S §42-5304, Disposition of Revenues, to allow deposit of all Municipal Water Tax revenue into the Safe Drinking Water Fund (SDWF). It is contingent upon ADEQ’s Executive Budget Request (EBR) Issue #3, which removes the Budget Reconciliation Bill “Notwithstanding” limit from the Water Quality Assurance Revolving Fund (WQARF) and corresponds with Issue #4, which requests to redirect all municipal water tax to the Safe Drinking Water Fund and includes a request for an ongoing appropriation increase to the SDWF. This change would also reduce Safe Drinking Water program reliance on the WQFF by approximately \$600,000. (Note: ADEQ will only pursue enactment of this change if the WQARF “notwithstanding” clause is removed from the BRB per the EBR request).</p> <p><input checked="" type="checkbox"/> <b>Tied to EBR</b> - This proposal is contingent on removal of the WQARF “notwithstanding clause” from the BRB. ADEQ will only pursue this change if WQARF is otherwise fully funded</p>

Division	Title and Description
Waste Programs	<b>Establish Reimbursement Deadline for UST Non-Corrective Action TSIP</b>
	Amend to add a deadline of 6 months after work is completed for submitting a request for reimbursement from the Underground Storage Tank (UST) Fund after work is completed in the Tank Site Improvement Program under A.R.S. § 49-1071. Delete subsection (F) because it no longer applies. In addition, make a change to A.R.S. § 49-1091(I) to conform to a change 49-1051(A) made in 2021 (HB 2671).
Air Quality Oil and Gas	<b>Oil and Gas Fees</b>
	Amend A.R.S. § 27-513 to remove the \$25 permit fee to drill an oil or gas well from statute and add a new provision to allow the permit fee to be adjusted with the Consumer Price Index (CPI) per rulemaking. The \$25 permit fee is also currently in rule and an updated permit fee will be proposed during a planned rulemaking later this year and will be based on staff time to review the permit application, to prepare and issue the permit. The updated permit fee will also be benchmarked against what other states with similar oil and gas programs charge.
Agency	<b>Fees; Unpaid Amounts; Penalties</b>
	Amend §49-113 so that penalties and interest collected by the director related to judgements and unpaid fees be deposited into the related department fee fund instead of into the General Fund. covers consent orders and judgment penalties including interest from late payments, and late payment penalties and interest.

Division	Title and Description
Water Quality	<b>Omnibus Item: Small Water Systems Fund; Authority to Accept Donations</b>
	Modify ARS § 49-355 to allow the Small Drinking Water Systems Fund to accept donations in addition to monies appropriated by the legislature.
Air Quality	<b>Omnibus Item: VEI Technical Correction Re: Testing Methodologies</b>
	Amend the contingent version of Arizona Revised Statute (A.R.S.) § 49-542(F)(2)(b) to change the test required from "transient loaded test" to "steady state loaded test, idle test, or another test approved under the Clean Air Act."
Waste Programs	<b>Omnibus Item: Updates to Solid Waste Definition to Improve Clarity</b>
	Clarify several solid waste definitions to align with federal definitions, ensure understanding of CCR post-closure requirements, and remove an unnecessary constraint on when CCR permit applications may be submitted; amend other solid waste definitions to remove unnecessary/confusing language and to align with federal definitions.
Air Quality	<b>Omnibus Item: Emergency Fuel Waivers Rulemaking Requirement</b>
	Amend A.R.S. § 3-3493 to change the mandatory requirement that ADEQ adopt rules to implement emergency fuel formulation waivers granted by United States Environmental Protection Agency (EPA) in collaboration with the Arizona Department of Agriculture Weights & Measures Services Division (WMSD) into a requirement that WMSD adopt such rules in collaboration with ADEQ. The proposal also makes certain mandatory rulemaking requirements discretionary.

Division	Title and Description
Air Quality	<b>Oxygenated Fuel Standards Conditional Enactment Extension - Emergency Clause</b>
	Amend Laws 2017, First Regular Session, Chapter 295, Section 3 to extend the conditional enactment date to ensure the U.S. Environmental Protection Agency (EPA) has sufficient time to review the 2013-2020 Cleaner Burning Gasoline (CBG) Program Update State Implementation Plan (SIP) revision.
Water Quality	<b>Potential Statutory Changes Re: Advanced Water Purification (Placeholder)</b>
	Clarify authorities as necessary to ensure that ADEQ is able to effectively and efficiently regulate and protect advanced water treatment plants as part of its Direct Potable Reuse Program.
Water Quality	<b>Onsite Wastewater Statutes for Phase II Rulemaking (Placeholder)</b>
	Amend A.R.S. Title 49, Chapter 2 “Water Quality Control” through the addition of “Article 3.4” to authorize the On-site Wastewater Treatment Facility (OWTF) Program, including associated rulemakings and fees; along with associated changes in Chapter 2 consistent with the new Article. Specific proposed statutory changes are draft in nature and likely to evolve as the Department proceeds with rulemaking and stakeholder engagement. This change will ensure that the Dept has all necessary authority to implement rules in development.

Division	Title and Description
Water Quality	<b>Drinking Water Monitoring Assistance Program</b>
	Increase ability of ADEQ’s Monitoring Assistance Program (MAP) to protect drinking water sources and ensure long term program solvency by expanding sampling scope and increasing the allowable funding surplus that triggers credits towards the next yearly fees.
Waste Programs	<b>Vegetative Waste (Placeholder)</b>
	Composting operations use large amounts of vegetative waste to force the decomposition of organic waste to create a nutrient rich material. When not properly managed, fires can occur impacting residents and businesses, and contributing to PM nonattainment issues. Currently, sites that store vegetative waste that are not waste tire facilities, transfer facilities, or recycling facilities are exempt from the definition of “solid waste facility” (and the underlying regulations) under A.R.S § 49-701(46)(d). Due to this definition the department has been unable to proactively work with these sites under a regulatory framework to prevent fires. Most of these fires occur when large amounts of vegetative waste are not properly handled or stored for prolonged periods of time.

**For questions or more information, please contact:**

**Krista Osterberg**

Chief Legislative Liaison

Email: [Osterberg.Krista@azdeq.gov](mailto:Osterberg.Krista@azdeq.gov)

(Cell) 602-292-0820