Request for hearing on Petition to Amend 20.11.2 NMAC, Fees, and incorporate an amended 20.11.2 NMAC into the New Mexico State Implementation Plan (SIP) for Air Quality

Presented to the Albuquerque-Bernalillo County
Air Quality Control Board
October 13, 2010

## **Authorization**

• The New Mexico Air Quality Control Act, NMSA 1978, Sections 74-2-4 and 74-2-5.B(1) [1967 as amended through 2007] authorizes and requires the Air Board to adopt, amend, or replace air quality regulations and to adopt air quality plans (SIPs) under NMSA 1978, Section 74-2-5.B(2).

## Statement of Reasons:

- Federal and New Mexico laws require or authorize, depending on the type of permit, collection of fees to cover specific costs. Current fees are insufficient and resulted in a projected budget deficit in FY/10 and will result in yet another budget deficit in FY/11 if unchanged.
- Fee fund balance has covered program cost deficits in past years, but the fund balance is now depleted.
- The scope and objectives sections of the current fee regulation require updating and revision to be consistent with the New Mexico Air Quality Control Act.

## Statement of Reasons:

- Some fees are based on theoretical maximum emissions rather than the maximum requested by the applicant. The proposed fees will be charged only for what industry requests on a permit application, which could substantially reduce costs.
- Programs have increased in both volume and complexity.
- Personnel and operating costs have increased steadily since the current fee structures were put in place between 1997 and 2004.

## Statement of Reasons:

- To date, fees have not been adjusted for CPI increases, although such adjustments are authorized. CPI adjustments will be applied going forward in the proposed regulation.
- Refund and appeal processes need clarification.

Estimated time to conduct the hearing: 1 hour

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Questions?

