

**Stephen Hoffman**

From: Village Motors - Gene <parts@villagemotorsinc.net>
Sent: Monday, May 10, 2021 7:00 PM
To: IRRC
Cc: KAY@PARTS.ORG; parts@villagemotorsinc.net
Subject: Re: Regulation #7-533: Water Quality Management and National Pollution Discharge Elimination System Permit Application and Annual Fees

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Dear IRRC Members

I, Gene Noll am from Village Motors Inc and the company is located at 53 Walnuttown Road in Fleetwood, PA 19522. Village Motors Inc. has been in business since 1953. Before the pandemic we employed in good times eight people. We been reduced to six employees which has been reduced even further to now three employees due to Governmental policies that have created incentives not to return back to work and find replacements just as difficult. Your requesting increasing the fees without regard to the small businesses that you are impacting that have been compliant with having the necessary permit and leading by example. Yet the people that are not compliant continue to get away with abusing the system and not paying into the system. You may view this increase as necessary to operate in the black as you place a financial burden on a business that has experienced unprecedented hardships in the red that has been compliant since the beginning of the permit system.

When I spoke to one of your office personnel when there was an increase only a few short years ago. It was explained that the increase was going to be used for enforcement. I attempted to explain that there are many businesses that can not produce permits if asked by a government official whom they would have to show a permit to when asked for it, that would easily create the funds you so much desire from us whom have been upfront and forthright by adhering to the rules. The fines that could be gained from those whom are suppose to have a permit and don't would easily surpass what your seeking to acquire. However it means that the funding would need to go to agents to go out and do a job that I believe your department does not want to do or is unwilling to do. I have not heard anyone being asked if they had to present their permit nor have I heard of anyone being fined for not having one.

Your Department would much rather strong arm the ones whom are operating within the rules rather than go after those whom break them. It is almost an incentive to operate in the shadows to avoid these fees. I implore you to reconsider actions of increasing the fee's on those whom have been compliant whom have paid their fair share due and focus on those whom are not compliant whom have not paid over the years for their permits. These increases can not be continually absorbed by the compliant companies while the pricing remains the same for our product.

The Department claims that increases are necessary to administer the WQM and NPDES programs and to implement the Pennsylvania Clean Streams Law, as well as the NPDES program mandated by the federal Clean Water Act. While I can certainly agree it is important to maintain adequate funding for environmental compliance monitoring, increasing financial burdens on entities in which these programs rely on to generate such funding may actually not be in the best interest of DEP.

It is our understanding that funding for the Clean Water Program should and has come out of DEP's General Fund appropriation, and not out of fees levied on businesses and municipalities throughout the Commonwealth. From what we have heard it was not the intention of the General Assembly to fund DEP's Clean Water Program through application fees authorized by the Clean Streams Law.

Another important consideration regarding statutory authorization of these increases is the word **reasonable**. Though subjective, it is clear from the excessive percentage of the proposed increases that it has now moved beyond reasonable by any definition. DEP is proposing exponential increases from existing fees that will impose a severe hardship on businesses that may still be struggling to recoup from the pandemic.

Finally, and perhaps the least palatable portion of this proposed regulation according to some state legislators, is the proposal to adjust fees every two years based on changes to the U.S. Bureau of Labor Statistics Employment Cost Index for State and Local Government Compensation. Allowing fee increases to occur based on an index without going through the regulatory process circumvents the intent of the General Assembly to require that fee increases be set by regulation. This will also prevent the important step required by the Regulatory Review Act of public participation in the process by allowing future increases to happen out of the public's view, thus denying Pennsylvanians who will be impacted the ability to comment.

PARTS has a history of a positive working relationship with the Department of Environmental Protection on making the necessary state regulations related to stormwater permitting issues the best that they can be for the waters, citizens and regulated industries of the Commonwealth.

We strongly urge the IRRC to reject the proposed regulation IRRC 3227 regarding Water Quality Management and National Pollution Discharge Elimination System Permit Application and Annual Fees. These proposed fee increases for these two programs as well as the proposed changes to the oversight process for changing the fees.

The increase in fees represents a serious burden for many professional automotive recycling businesses and would have far reaching consequences on the waters, citizens and regulated industries businesses. We have seen the cost of compliance rise just over the last five years from \$500 (\$100 per year) for a 5-year permit to \$500 per year and now \$1500 per year with potential of fees being raised every two years. Pennsylvania businesses cannot afford the current suggested increase not to mention an unknown amount in two years.

Sincerely,
Gene A. Noll