



2012

North Carolina Rules with Economic Impact

- **Schedule of Anticipated Rule Actions**
- **Rules that Affected Local Governments**

Prepared by the North Carolina Office of State
Budget and Management,
Office of the Governor

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Background

On May 17, 1994, Governor James B. Hunt Jr. issued the Executive Order No. 49 entitled “Fiscal Notes on Administrative Rules Affecting Local Governments.” The Executive Order set forth policies and procedures for state agencies to follow when proposing permanent rules with an impact on local governments. Through Session Law 1995-415, the General Assembly incorporated these policies, as well as other changes, in G.S. 150B-21.28 of the Administrative Procedure Act (APA). The revised APA increases state agencies’ awareness of the effect proposed rules would have on local governments and enables local governments to be more involved in estimating the fiscal impact of permanent rules on local budgets.

According to requirements in the APA, the North Carolina Office of State Budget and Management (OSBM) prepares annually a report containing a schedule of anticipated rule actions in the upcoming fiscal year, as well as a summary of the projected fiscal impact on local governments of rules adopted in the preceding fiscal year. OSBM provides a copy of this annual report to the Governor, the General Assembly, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities, as required by the APA.

Outline

I. Summary

The Summary section contains some statistics on anticipated rule actions in SFY 2012-13 that might have an economic impact and rules adopted in SFY 2010-11 with projected impact on local governments.

II. Schedule of Anticipated Rule Actions, July 1, 2012 – June 30, 2013

This section contains information on rules state agencies expect to adopt in SFY 2012-13 that would have an impact on: i) state expenditure or distribution of funds; ii) local government revenues or expenditures; or iii) would create a substantial economic impact.¹ The information in this section is organized by agency and by North Carolina Administrative Code (NCAC) citation. The information also includes the rule title, staff contact information, proposed action, anticipated impact, and a brief description of the rule change.

III. Rules that Affected Local Governments, Adopted July 1, 2010 – June 30, 2011

The last section provides information on rules North Carolina agencies adopted in SFY 2010-11 that have a projected impact on local governments. The information is organized by agency and by adoption date. The information also includes the rule title, NCAC citation, staff contact information, and expected impact on local government revenues and expenditures over a five-year period.

¹ S.L. 2001-398 (S781) has recently amended the definition in G.S. 150B-21.4(b1) of what is considered a rule with a substantial economic impact. The new threshold for a rule to be considered substantial is an aggregate financial impact to all parties involved of \$500,000 (as opposed to \$3 million) or greater over a 12-months period.

I. Summary

For the following fiscal year, SFY 2012-13, state agencies anticipate to take action on 84 different rules.¹ According to information received by OSBM, the Department of Health and Human Services (DHHS), the Department of Environmental and Natural Resources (DENR), and the Department of Commerce would account for 35, 29 and 23 percent, respectively, of anticipated rule actions in SFY 2012-13 (see Table 1 below). Usually, the Dept. of Commerce does not adopt a large number of rules annually. The higher anticipated number of rule changes (19 rules, see Table 1) is due to the House Bill 709 (ratified on June 24, 2011), which removed the Industrial Commission's exemption from rule-making under G. S. 150B-1(c) and required that the Commission re-adopt and update its current rules.

More than half of the anticipated rule actions identified by agencies would have an impact on state government and 44 percent are expected to create a positive or negative impact on local governments. More than a quarter of anticipated rule changes would have a substantial economic impact, i.e. create an economic impact of \$0.5 million or more in a 12-months period (see Table 2).²

Table 1. Number of Anticipated Rules with Economic Impact, by Agency

<i>Agency</i>	<i>Number of Rules</i>	<i>Percentage of Total</i>
Department of Administration	1	1%
Department of Commerce	19	23%
Department of Environmental and Natural Resources	24	29%
Department of Health and Human Services	29	35%
Department of Justice	7	8%
Department of Transportation	3	4%
Office of Administrative Hearings	1	1%
Total Anticipated Rules	84	100%

Table 2. Number of Anticipated Rules with Economic Impact, by Type of Impact*

<i>Type of Impact</i>	<i>Number of Rules</i>	<i>Percentage of Total Rules</i>
State Government	45	54%
Local Government	37	44%
Substantial Economic Impact	22	26%

* Note that unknown ("U" in Table 5 below) impacts were not counted.

¹ The terms rule changes or rules used throughout this document refer to a package of permanent individual rules that an agency is proposing to adopt together and which constitute a new policy.

² Note that the percentages do not add up to 100% because rules can have more than one type of impact (see Table 5).

In SFY 2010-11, 19 rule changes were adopted that had an impact on local governments and almost half of these rules were adopted by DENR (see Table 3). Table 4 below presents the impact on local governments over a five-year period of the rules adopted in SFY 2010-11. The net present value of the impact of these rule changes on local governments over five years is more than \$110 million in welfare benefits.¹ This positive impact on local governments is due to the large benefit they stand to incur from the adoption of DENR's Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring that exempted certain smaller stationary sources from needing to obtain a permit for emitting greenhouse gases.

Table 3. Rules Adopted in SFY 2010-2011 with Local Government Impact, by Agency

<i>Agency</i>	<i>Number of Rules</i>	<i>Percentage of Total</i>
Alcohol Beverage Control Commission	1	5%
Department of Environment and Natural Resources	9	47%
Department of Health and Human Services	2	11%
Department of Justice	4	21%
Department of State Treasurer	1	5%
Office of Administrative Hearings	1	5%
Substance Abuse Professional Practice Board	1	5%
Total Adopted Rules	19	100%

Table 4. Rules Adopted in SFY 2010-2011 with Local Government Impact, by Agency (thousands of \$)*

<i>Agency</i>	<i>SFY 2009-10</i>	<i>SFY 2010-11</i>	<i>SFY 2011-12</i>	<i>SFY 2012-13</i>	<i>SFY 2013-14</i>
Alcohol Beverage Control Commission	\$0	\$0	\$0	\$0	\$0
Department of Environment and Natural Resources	-\$30,316	\$49,646	\$48,861	\$36,918	\$35,923
Department of Health and Human Services	-\$10	-\$10	-\$10	-\$10	-\$10
Department of Justice	-\$1,300	-\$1,838	-\$8	-\$8	-\$8
Department of State Treasurer	-\$381	-\$761	-\$761	-\$761	-\$761
Office of Administrative Hearings	\$1	\$1	\$1	\$1	\$1
Substance Abuse Professional Practice Board	\$0	\$0	\$0	\$0	\$0
Total Impact of Adopted Rules	-\$32,006	\$47,039	\$48,083	\$36,141	\$35,145

* Note that positive values constitute a benefit to local governments and negative values are costs.

¹ The net present values in this report are computed as of July 2011 using a discount rate of 7 percent, as required by the OSBM Manual.

II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Table 5. Schedule of Anticipated Rule Actions between July 1, 2012 and June 30, 2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*			
			Name	Phone			S/	L/	SE	
Department of Administration										
Purchase & Contract Division	Purchase & Contract	01 NCAC 05A, 5B, 5D	William E. H. Creech or William Sam Byassee	(919) 807-2425	Adopt	No	U	U	U	
	The Division of Purchase and Contract is leading the State's ongoing, comprehensive "Procurement Transformation" initiative. The initiative may require some rules to be repealed, amended, or adopted, including in response to recently passed enabling legislation (SL 2011-338, S404). While impacts are currently unknown and may merely be procedural, any such changes would be made in an effort to streamline and implement best procurement practices.									
Total Anticipated Rule Actions for Department of Administration:							1			
Department of Commerce										
Commerce Finance	"Procedures and Criteria for Allocation of Qualified Energy Conservation Bonds"	04 NCAC 01H.0501	Mark Poole	(919) 733-4151	Adopt	No	-	L	-	
	The rule relates to allocation of bond capacity under which: (i) the local government may itself issue the specific types of bonds for public projects or (ii) other entities may issue bonds for certain types of non-governmental private activity. The bond holder would benefit from a tax credit in the amount of 70% of the lesser of 1) US Treasury published tax credit rate and 2) interest paid on the bond, as opposed to receiving a tax deduction on paid interest.									
Industrial Commission	Worker's Compensation Rules	04 NCAC 10A .0101-.0105, .0201, .0301-.0302, .0401-.0409, .0501-.0503, .0601-.0617, .0701-.0703, .0801-.0803, .0901-.0903	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U	
	The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									

* S = State Impact, L = Local Impact, SE = Substantial Economic Impact of \$500,000 or greater in a 12-months period, U = Impact Unknown.

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Industrial Commission	Tort Claims Rules	04 NCAC 10B .0101-.0104, .0201-.0207, .0301-.0310, .0401-.0404, .0501-.0503	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	North Carolina Industrial Commission Rules for Utilization	04 NCAC 10C .0101-.0109	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Workers' Compensation Rules for Managed Care Organizations	04 NCAC 10D .0101-.0110	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Utilization Review Plan	04 NCAC 10E .0101	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Revised Workers' Compensation Medical Fee Schedule	04 NCAC 10F .0101-.0102	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									

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			Name	Phone			S/	L/	SE
Industrial Commission	North Carolina Industrial Commission Rules for Mediated Settlements and Neutral Evaluation Conferences	04 NCAC 10G .0101-.0112	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Location of Office and Hours of Business	Rule I - Rules of the Industrial Commission Relating to the Law-Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Transaction of Business by the Commission	Rule II - Rules of the Industrial Commission Relating to the Law-Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Industrial Commission	Determination of Claims by the Industrial Commission	Rule III - Rules of the Industrial Commission Relating to the Law-Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Appeal to the Full Commission	Rule IV - Rules of the Industrial Commission Relating to the Law-Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Amendment of Rules	Rule V - Rules of the Industrial Commission Relating to the Law-Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Industrial Commission	Location of Office and Hours of Business	Rule 101 - Childhood Vaccine-Related Injury Rules of the North Carolina Industrial Commission	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Transaction of Business by the Commission	Rule 102 - Childhood Vaccine-Related Injury Rules of the North Carolina Industrial Commission	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Official Forms	Rule 103 - Childhood Vaccine-Related Injury Rules of the North Carolina Industrial Commission	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Rules of Civil Procedure	Rule 201 - Childhood Vaccine-Related Injury Rules of the North Carolina Industrial Commission	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Industrial Commission	Procedure	Rule 202 - Childhood Vaccine-Related Injury Rules of the North Carolina Industrial Commission	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									
Industrial Commission	Attorney's Fees	Rule 203 - Childhood Vaccine-Related Injury Rules of the North Carolina Industrial Commission	Abigail Hammond	(919) 807-2674	Amend	No	U	U	U
The Commission is readopting its rules to comply with HB 709, section 21 (Session Law 2011-287). It is unclear at this stage what additional changes would be made to the rules, therefore the impact is unknown.									

Total Anticipated Rule Actions for Department of Commerce: 19

Department of Environmental and Natural Resources

Division of Air Quality	Prevention of Significant Deterioration and Sources in Nonattainment Areas	15A NCAC 02D .0530 and .0531	Joelle Burleson	919-707-8720	Amend	Yes	S	L	-
The amendment would revise Nitrogen Oxides significance level for Particulate Matter 2.5 in the New Source Review and Prevention of Significant Deterioration rules.									
Division of Air Quality	Prevention of Significant Deterioration Requirements for Greenhouse Gases	15A NCAC 02D .0544	Joelle Burleson	919-707-8720	Amend	No	S	L	SE
To update Prevention of Significant Deterioration for Greenhouse Gases rule to reflect the federal deferral from consideration of CO2 emissions from combustion of biomass. This deferral would provide a relieve over a period of three years by ensuring that stationary sources would not have to complete a Best Available Control Technology (BACT) analysis for biogenic CO2 and possibly be required to install equipment to control emissions. Therefore, the amendment is expected to result in substantial savings for the regulated community.									
Division of Air Quality	Volatile Organic Compounds	15A NCAC 02D .0900	Joelle Burleson	919-707-8720	Amend	Yes	S	L	SE
The Division proposes to adjust applicability of Reasonably Available Control Technology rules to meet Clean Air Act requirements.									

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Air Quality	Arsenic Ambient Air Level	15A NCAC 02D .1104	Joelle Burleson	919-707-8720	Amend	No	S	L	SE
This rule would revise the ambient air level for arsenic, and is expected to have a substantial impact on the regulated community.									
Division of Air Quality	Sewage Sludge and Sludge Incinerators	15A NCAC 02D .1204	Joelle Burleson	919-707-8720	Amend	Yes	S	L	SE
The rule change would update the incinerator rules in order to reflect the recent revisions to the federal emission guidelines for Sewage Sludge Incinerators.									
Division of Air Quality	Nitrogen Oxides RACT Applicability	15A NCAC 02D .1402	Joelle Burleson	919-707-8720	Amend	Yes	U	U	U
The proposed rule change would revise the Nitrogen Oxides applicability requirements.									
Division of Coastal Management	AECs Within Ocean Hazard Areas	15A NCAC 07H .0304	Mike Lopazanski	252-808-2808 ext. 223	Amend	No	S	-	-
<p>The proposed rule language clarifies how the Ocean Erodible Area of Environmental Concern (OEA) formula is calculated and applied to oceanfront lots and provides consistency with existing Coastal Resources Commission (CRC) policies regarding maximum setbacks for structures 100,000 square feet and greater (maximum setback equals 90 times the erosion rate). The proposed language will also remove the 100-year shoreline recession line from the calculation of the OEA. The amendments remove the temporary Unvegetated Beach (UB) designation from the area in vicinity of Hatteras Village. The existing vegetation line has exhibited recovery since 2004 and is deemed by the CRC to no longer necessary for permitting purposes. Finally, the proposed changes will remove the Inlet Hazard Area designation from the site formerly occupied by Mad Inlet, which closed in 1997 and is not expected to reopen.</p> <p>The groups most affected by these changes will be property owners located within an area between 60 and 90 times the long-term annual erosion rates, oceanfront property owners in area of Hatteras Village designated as an unvegetated beach and property owners with in the Mad Inlet designated Inlet Hazard Area. The Division of Coastal Management (DCM) estimates that there will be cost savings from this action of approximately \$241,900. Fewer residents will have to pay for permits and the Division of Coastal Management will pay fewer subsidies to local governments. Local governments will lose some permit revenue but will have correspondingly lower costs. These proposed changes also will increase the development potential for parcels in the vicinity of Hatteras Village and Mad Inlet. The costs and benefits from these proposed rule changes do not exceed \$500,000 annually.</p>									

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Coastal Management	AECs Within Ocean Hazard Areas	15A NCAC 07H .0304(1)(a)	Ken Richardson	252-808-2808 ext. 225	Amend	No	-	L	-
	<p>The proposed language amends the administrative rules governing oceanfront development setbacks. Based on new data, the proposed rule change would update the annual erosion rates that are used in computing setbacks. These updated rates will ensure that property owners in coastal communities that participate in the National Flood Insurance Program are given fifty Community Rating System points to maintain insurance rates at their current level. The loss of these points may increase insurance rates by up to five percent for some policyholders.</p> <p>The economic impacts of this proposed rule change are twofold. First, approximately 213 properties (net) will experience reduced construction setbacks. This may allow for a greater level of property development or redevelopment than under the previous setback calculations. These rate changes will primarily affect landowners in Dare and Brunswick Counties. The second impact is the avoidance of increased flood insurance premiums. The division estimates this savings at \$161,000 annually.</p>								
Division of Coastal Management	Specific Use Standards for Ocean Hazard Area & General Permit for Emergency Work - Specific Conditions	15A NCAC 07H .0308, 1705	Mike Lopazanski	252-808-2808 ext. 223	Amend	No	S	-	-
	<p>The proposed rule language amends the Coastal Resources Commission temporary erosion control rules regarding the time limits associated with sandbag permits, increasing it from five to eight years, and the number of times sandbags could be used on a property, allowing sandbags to be used more than once on a property. The amended rules would broaden the activities associated with “actively pursuing” beach fill or inlet relocation projects to include stabilization projects. The proposed amendments also incorporate the use of terminal groins for inlet stabilization by reference to G.S. 113A-115.1 as one of the activities undertaken by a community that would allow the maximum time limit for sandbags to remain in place. The groups affected by these changes will be property owners located along oceanfront shorelines and within Inlet Hazard Areas.</p> <p>The Division of Coastal Management (DCM) estimates that there will be cost savings to property owners and NCDOT from this action of ranging from \$13,800 - \$60,300 from delaying the removal of sandbags. Additional, unquantified benefits include landowners in the future no having had to comply with the existing five-year limit and the value of being able to use sandbags more than once to stabilize an imminently threatened structure.</p>								

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Coastal Management	Technical Standards for Beach Fill Projects The primary anticipated effect of this action is a significant reduction in sampling costs to establish sediment compatibility for certain beach fill projects. These amendments do not reflect significant changes in how various projects are reviewed or permitted by the Division of Coastal Management, nor do they affect permit application fees or the number of parties subject to permitting. The Division does not anticipate any change in permitting receipts due to the proposed action. The types of activities that would be impacted by the proposed rule changes are large beach fill or nourishment projects which are not undertaken by private property owners, so there should be no cost to them. The proposed rule changes would result in a significant cost savings to any community or group proposing a beach fill project utilizing material from an offshore disposal site or a navigation channel or sediment deposition basins within the active near shore, beach or inlet shoal system. Costs are incurred to mobilize and demobilize equipment, to drill, retrieve and analyze sediment core samples, and to collect geophysical data. These costs can be substantially reduced by decreasing the amount of sampling required in areas where previous sampling has consistently shown the sites to hold beach-quality sand. Conversations with the engineering firm Moffatt and Nichol, contractor for the proposed Bogue Banks nourishment project in Carteret County indicate that the proposed reduction in sampling would result in a cost savings of over \$450,000 for an upcoming nourishment project.	15A NCAC 07H .0312	Tancred Miller	252-808-2808 ext. 224	Amend	No	-	L	-
Division of Coastal Management	Installation and Maintenance of Regulatory Signs and Markers Exempted The proposed rule is intended to eliminate certain permitting requirements for federal, state or local governmental agencies. The rule would eliminate the permit requirements for the installation of certain regulatory signs and markers. These types of permit requests represent a small percentage of the total permits processed by the Division, typically less than ten per year. The proposed rule change would allow of the expeditious installation of certain regulatory signs and markers and would remove a permitting burden from governmental agencies for these activities that have little or no environmental impact. The financial impact on local government, if any, will be a small reduction in expenditures. The Division anticipates a decrease of less than \$1,000 in permitting receipts per year due to the proposed action.	15A NCAC 07K .214	Tancred Miller	252-808-2808 ext. 224	Adopt	No	S	L	-
Division of Coastal Management	General Permit for the Construction of Riprap Sills for Wetland Enhancement in Estuarine and Public Trust Waters The Commission is considering amendments to its General Permit for the construction of riprap or stone sill structures built in conjunction with existing, created or restored wetlands. The intent of the amendments would be to streamline the specific conditions under which these structures may be permitted in an effort to facilitate their use as a shoreline stabilization measure.	15A NCAC 07H .2705	Mike Lopazanski	252-808-2808 ext. 223	Amend	Yes	U	-	-

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Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Waste Management	Criteria and Standards Applicable To Underground Storage Tanks The rules will be amended to establish a process for granting variances from setbacks required for UST systems from certain public water supply wells, provided the variances will not endanger human health and welfare and groundwater.	15A NCAC 02N .0301	Ruth Strauss	919-707-8299	Amend	No	S	L	U
Division of Waste Management	Criteria and Standards Applicable To Underground Storage Tanks The rules will be amended such that they cannot be construed to limit the right of an UST owner or operator to repair and existing component of an UST system. The rules shall also be amended such that they shall not prohibit the use of tanks constructed of steel and cathodically protected as provided in 40 Code of Federal Regulations Part 280.20 (a) (2) (July 1, 2010 Edition).	15A NCAC 02N .0903	Ruth Strauss	919-707-8299	Amend	No	S	L	U
Division of Waste Management	Leaking Petroleum Underground Storage Tank Cleanup Funds Rules will be adopted to reflect the changes in NCGS 143-215.94B which authorizes the department to use up to \$1 million each year from the Commercial Cleanup Fund and from the Noncommercial Cleanup Fund to assess and cleanup petroleum releases from Underground Storage Tanks whose owners can demonstrate that undertaking the costs of assessment and cleanup will impose severe financial hardship on them. The rules will define severe financial hardship, establish criteria for assistance due to severe financial hardship, and establish a process to determine severe financial hardship.	15A NCAC 02P .0202 & .0401	Grover Nicholson	919-707-8263	Adopt	No	S	L	U
Division of Waste Management	Definition of Solid Waste Rule will revise the definition of solid waste in order to simplify the definition and encourage the recycling of hazardous waste. It is intended to result in resource conservation and a reduction in regulatory costs.	15A NCAC 13A .0106	Elizabeth Cannon	707-8203	Amend	No	U	U	U
Division of Water Quality	Assignment of Stream Classifications. Several reclassifications to Water Supply in the Catawba, Roanoke, and Neuse River Basins. These classifications have land use restrictions and/or local ordinance requirements that can have minimal costs to state and local governments to implement. The Federal Clean Water Act as codified in 40 CFR 130 and 131 requires the proper identification, designation and protection of all existing and designated uses. These reclassifications implement these federal regulations and the state rule [15A NCAC 18 C .0202 & .0710(5)] requirement that all surface waters to be used for human consumption be classified for Water Supply.	15A NCAC 02B .0300	Dianne Reid	919-807-6427	Amend	Yes	S	L	-

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Water Quality	Riparian Buffer Mitigation To comply with Session Law 2009-337 and ease implementation of the rules, this rulemaking will consolidate several existing riparian buffer mitigation rules (15A NCAC 02B .0242, .0244, .0260, .0268, .0609, and .0252) into one riparian buffer mitigation rule (.0295). This consolidation will also include language to address Flexible Mitigation Options as required by the GS 143-214.20.	15A NCAC 02B .0295	Amy Chapman	919-807-6400	Amend	Yes	S	L	U
Division of Water Quality	Well Construction Standards: Criteria and Standards Applicable to Injection Wells Clarifying & Updating: Proposed modifications include reorganization of existing rule content to improve usability, deletion and addition of terms, clarification of existing rule conditions, technological updates, expanded use of permitting by rule, and changes needed to comply with federal requirements. Economic impacts are overall positive, resulting in savings for private sector; local, state and federal governments. This is as a result of more injection wells permitted by rule and fewer facilities required to submit reports. This saves permit applicants money and DWQ staff less time evaluating reports and evaluating applications.	15A NCAC 02C .0200	Thomas Slusser	919-807-6412	Amend	Yes	S	L	SE
Division of Water Quality	Form and Contents of Petitions This rulemaking will allow petitioners to provide electronic or digital petitions for rulemaking and will remove the requirement to provide paper copies for petitions longer than 10 pages.	15A NCAC 02I .0501	Sandra Moore	807-6417	Amend	No	S	L	-
Division of Water Quality	Groundwater Quality Standards The EMC was petitioned by Rhodia, Inc. to amend the 1,1-DCE groundwater standard from 7 ug/L to 350 ug/l based on the availability of more recent US EPA health effects data. This change would lead to more savings related to groundwater testing as well as a fasted clean-up of contaminated sites.	15A NCAC 02L .0202	Sandra Moore	807-6417	Amend	No	S	L	-
Wildlife Resources Commission	Perquimans County This rule change is a no-wake zone modification or addition rule that will require Perquimans County to purchase markers for the zone.	15A NCAC 10F .0355	Betsy Foard	(919) 707-0013	Amend	No	-	L	-
Wildlife Resources Commission	Beaufort County The agency proposes a series of no-wake zone modifications that will require Beaufort Co. AND WRC to purchase and/or move existing markers.		Betsy Foard	(919) 7070013	Amend	No	S	L	-
Wildlife Resources Commission	Minimum Standards This proposal would modify fencing requirements for holding cervids in captivity. Details have not been finalized.	15A NCAC 10H .0302	Kate Pipkin	(919) 707-0065	Amend	Yes	-	-	U
Total Anticipated Rule Actions for the Department of Environmental and Natural Resources:									24

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Department of Health and Human Services									
Division of Health Service Regulation	Rated Certificates The proposed rule changes would clarify the existing rules and lessen the burden on licensed providers. The rule may require additional state employee time to administer the changes to a limited number of providers; however, it is unknown how much additional time it would take.	10A NCAC 13F .1601-.1605	Barbara Ryan	855-3784	Amend	No	U	-	-
Division of Health Service Regulation	Rated Certificates The proposed rule changes would clarify the existing rules and lessen the burden on licensed providers. The rule may require additional state employee time to administer the changes to a limited number of providers; however, it is unknown how much additional time it would take.	10A NCAC 13G .1601-.1605	Barbara Ryan	855-3784	Amend	No	U	-	-
Division of Health Service Regulation	Overnight Respite in Certified Adult Day Care Programs The proposed rules (currently are temporary rules) would require additional inspections by DHSR, once every six months, and investigations related to any complaint.	10A NCAC 14D .0101-.0801	Jeff Horton	855-3757	Adopt	No	S	-	-
Division of Medical Assistance	Provider Performance Bonds The Division is proposing to adopt a rule requiring certain Medicaid providers to obtain performance bonds as a condition of enrollment. DMA estimates that more than 700 providers would be required to obtain a bond after all excluded providers (licensed and Medicaid-certified), as specified by the proposed rule, are considered. The State would benefit from bond payouts and reduced overpayments, but would also experience costs related to managing the bond requirement. Surety bond companies would benefit from new bond requirement, but also lose from the bond payouts.	10A NCAC 22N .0401 & .0402	Teresa Smith	919-855-4116	Adopt	No	S	-	SE

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Medical Assistance	Critical Access Behavioral Health Agencies (CABHA)	10A NCAC 22P .0101 - .0604	Teresa Smith	919-855-4116	Adopt	No	S	L	SE
	<p>The Division is proposing rules to regulate a new category of Medicaid provider: Critical Access Behavioral Health Agencies (CABHA). The rules would create:</p> <ul style="list-style-type: none"> - Cost to the State's Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH), the State's Division of Medical Assistance (DMA), the CABHA provider and the Local Management Entity/Managed Care Organization (LME/MCO) for the CABHA certification process, - Cost to the CABHA provider for inability to attain certification, - Cost to the State and the CABHA for appeals relative to CABHA certification denial, decertification or suspension of certification, - Cost to the CABHA for required staff time, exclusive of billable hours, - Cost to the State and the CABHA for the Medical Director exception process, - Cost to the State and LME/MCO for any new monitoring functions, - Benefit to the State from increase provider accountability and oversight that would lead to cost savings, as well as from other efficiencies, - Benefit to LME/MCO from fewer providers that require monitoring, - Benefit to CABHA from being certified and expanding their services, and - Benefit to Medicaid recipients from better quality care. 								
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	NC Department of Correction: Standards for Mental Health and Mental Retardation	10A NCAC 26D (multiple rules within the chapter)	Amanda J. Reeder	919/ 715-2780	Amend	No	S	L	SE
	<p>The rule changes would amend the rules to reflect best practices for inmates with mental health and mental retardation diagnoses. The Division anticipates this would create state and local expenditures as more staff would be required and greater attention would be given to planning for aftercare of released inmates. The Division anticipates some costs to be offset and the rule would add a benefit by way of lower recidivism rates and prevent issues inmates with mental health or mental retardation diagnoses might encounter after release relating to treatment needs.</p>								
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	Uniform Co-Payment Graduated Fee Schedule	10A NCAC 27A .0500	Amanda J. Reeder	919/ 715-2780	Adopt	No	S	L	U
	<p>This rule would establish a uniform co-payment for consumers of state funded MH/DD/SA services. Pursuant to the mandate of G.S. 122C-112.1(34) and 122C-146, the co-payment would only apply to individuals exceeding 300% of the federal poverty line. This rule is anticipated to create revenue via the co-payments for the state and local governments, as it impacts state funded services and those funds are administered by the Local Management Entities, which are local government. It is anticipated that the rules would cost the private sector in regards to the individuals eligible for the co-pay that are receiving services.</p>								

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	General Definitions Pursuant to G.S. 122C-23, certain individuals are debarred from operating MH/DD/SA facilities. Not all of the terms used in statute are defined; this rule would clarify what constitutes a debarred individual for purposes of licensure. Therefore, it is anticipated this clarification would reduce the number of applications for licensure submitted by debarred individuals, saving state time and resources in reviewing the application and facility, as well as any litigation over the matter relating to the terms. There may be some minimal reductions in local expenditures, as Local Management Entities would not be monitoring facilities that could not operate, but that impact is uncertain.	10A NCAC 27G .0105	Amanda J. Reeder	919/ 715-2780	Adopt	No	S	-	-
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	Client Rights Pursuant to G.S. 122C-64, this rule would establish a requirement that providers of MH/DD/SA services establish Client Rights Committees. The current rule, established under a previous iteration of the statute, requires only Local Management Entities to establish these committees, and gave LMEs permission to require its contracted providers to establish the same; many of the LMEs did require this. However, now that the rule would require the establishment of the same, it is anticipated to require more state and local time and funds to monitor the provider committees, and require the expenditure of private funds to create the provider Client Rights Committees.	10A NCAC 27G .0504	Amanda J. Reeder	919/ 715-2780	Amend	No	S	L	-
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	Waiver of Licensure Rules This rule clarifies the existing regulatory standard for a provider of MH/DD/SA services to seek waiver of a specific licensure rule. Currently, all waivers must expire at the end of a licensure year, and all renewals must be requested annually. The proposed amendment to the rule specifies that waivers related to physical design of a facility remain in effect for 10 years, which is anticipated to create a savings of state, local and private time and resources as those waivers would no longer require annual renewal requests.	10A NCAC 27G .0813	Amanda J. Reeder	919/ 715-2780	Amend	No	S	L	-
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	Operations It is proposed that the rule be amended to allow PRTFs to increase the maximum number of consumers allowed at the facility from 12 to 18. The state anticipates that more consumers would stay at in-state PRTFs and more consumers would transfer from other facilities (which are paid for partially with state funds) and move to PRTFs. However, the Division does anticipate incurring costs in this amendment, due to the cost of providing care at PRTFs. To that end, the Division anticipates that this rule change would affect millions of dollars of state and federal funds.	10A NCAC 27G .1903	Amanda J. Reeder	919/ 715-2780	Amend	No	S	-	SE

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	Substance Abuse for DWI Offenders The rule changes would amend the rule to comport with best practices for treatment of individuals who are convicted of DWI. The state would incur some savings and some costs in implementing the new rules. The Division currently anticipates that the rule changes would increase the costs of the services by creating requirements for smaller groups, increasing treatment time and requiring drug testing. These costs would be borne by the providers and the consumers, most of whom are private pay.	10A NCAC 27G .3800	Amanda J. Reeder	919/ 715-2780	Amend	No	S	-	SE
Division of Mental Health, Developmental Disabilities and Substance Abuse Services	Non-Medicaid Appeals Process The Division is seeking to amend the rules to use only the Hearing Officer to convene the hearing. This would allow Division to stop paying to mail documents to the Panel, as well as stop paying panel members a per diem and mileage for traveling to the hearing. The rule expected to reduce, if not eliminate, travel costs for all parties. Other proposed amendments to the rules will limit the number of appeals heard. The Division believes these amendments will result in cost savings for the state and local governments, as well as the private sector.	10A NCAC 27I .0600	Amanda J. Reeder	919/ 715-2780	Amend	No	S	L	-
Division of Public Health	Reportable Diseases and Conditions Changes update laboratory confirming test results for HIV/AIDS to incorporate most current science. Little to no impact is expected, but the impacts are still being analyzed.	10A NCAC 41A .0101	Bob Martin	919 707-5170	Amend	No	U	U	-
Division of Public Health	Reporting of Healthcare Associated Infections The rule change would make permanent the current temporary rule for reporting of healthcare associated infections. The rule includes additional reporting requirements that would require Communicable Disease Branch staff to monitor statewide surveillance data and generate necessary reports. The establishment of a mandatory system for reporting of healthcare-associated infections from hospitals to the Department is intended to increase transparency and allow healthcare consumers access to information needed to make healthcare decisions. The annual estimates of expenditure, in terms of opportunity costs of staff time are: \$50,700 to DPH and \$2,150 to DSOHF.	10A NCAC 41A .0106	Bob Martin	919 707-5170	Adopt	No	S	-	-
Division of Public Health	Control Measures - HIV The proposed amendment will permit the use of interferon gamma release assays for HIV infected patients who are also required to have tests for TB. There will be minimal cost impacts expected from this amendment, although the impact is still being analyzed.	10A NCAC 41A. 0202	Bob Martin	919 707-5170	Amend	No	S	U	-
Division of Public Health	Summer Food Service Program The Division needs to include NC-specific elements for program integrity to enumerate how NC will ensure integrity. Fiscal impact is currently undetermined; however, amount of grant allocation will not change so there will be opportunity costs for staff and potential cost savings by improved program monitoring (reduce fraud).	10A NCAC 41I .0101	Bob Martin	919 707-5170	Amend	Yes	U	U	U

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Public Health	Child and Adult Care Food Program The Division needs to include NC-specific elements for program integrity to enumerate how NC will ensure integrity. Fiscal impact is undetermined; however, amount of grant allocation will not change so there will be opportunity costs for staff and potential cost savings by improved program monitoring (reduce fraud).	10A NCAC 41J .0101	Bob Martin	919 707-5170	Amend	Yes	U	U	U
Division of Public Health	Authorized WIC Vendors The Division is proposing to eliminate the Predominantly WIC Vendor (PWV) type in North Carolina (these are vendors who derive more than 50% of their annual food sales revenue from the WIC Program. There is no net fiscal impact to private sector, state or local government as a result of adopting these proposed permanent rule amendments. The rationale for the agency determination of no state or local government impact is that the funding level for the program will not be changed. The level of funds coming from federal sources to the State will not be altered. The funds passed from the State to the local governments for administering the WIC Program will not change. Also, the change would repeal some language (common ownership provisions, review of sales figures every six months) and incorporate federal regulations by reference (vendor purchases); these changes would not have an economic impact.	10A NCAC 43D .0706	Bob Martin	919 707-5170	Adopt	Yes	S	L	-
Division of Public Health	General Procedures for Public Health Programs The proposed changes would delete programs that no longer exist and update list with current programs and make changes for the transition to NCTRACKS such as adjusting inpatient rate of reimbursement to be compatible with Medicaid rates, allowing pricing based on date of service so procedures are consistent with Medicaid, and requiring pharmacy providers to bill insurance directly resulting in a cost avoidance to DPH payment programs. None of the proposed technical changes will have an impact on health care provider's ability to enhance their business. While the rule changes will not impact business directly, with the new system implementation, providers should receive benefits from a fully automated and a more streamlined claims submission and reimbursement process. This may result in administrative cost savings that providers can then use to support other aspects of their business.	10A NCAC 45 .0101-.0503	Bob Martin	919 707-5170	Amend	No	S	U	U
Division of Public Health	Fences The rule change would make permanent current temporary rule for compliance with statutory changes for pool fences that relieve owners of older public swimming pools of the potential expense of upgrading existing pool fences to meet current fence safety standards. Most of the pools would not be impacted by this change as their fences are already in compliance. The rule change would mostly benefit small businesses, primarily lodging facilities, condominium homeowners' associations and apartment communities that would save about \$5,000 to \$10,000. This amendment will not impact local government expenditures except to the extent municipal pools with non-compliant pool fences will be permitted to continue operation without fence repairs.	15A NCAC 18A .2528	Bob Martin	919 707-5170	Amend	No	-	U	-

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Public Health	2009 FDA Food Code Adoption	15A NCAC 18A .2651-.2677	Bob Martin	919 707-5170	Adopt	No	S	L	SE
	The Division plans to update to NC Food Code to incorporate USFDA standards. The adoption of the 2009 Food Code is necessary to ensure current science-based standards are maintained to protect the public from contracting foodborne diseases and to provide an efficient and timely process to update North Carolina's food protection rules to be consistent with national standards. The Division estimates that in the first year industry would experience less than \$5.5 million in net costs and local government food establishments \$1.2 million; although there are other unquantified benefits which could offset these costs. There would also be a cost related to some state government staff time costs related to trainings on the new code. The savings to the general public from safer food establishment practices is estimated at \$1.5 million annually.								
Division of Services for the Blind	Economic Needs Policies	10A NCAC 63F .0402	Mary Flanagan	733-9822	Amend	No	S	-	-
	Proposed rule change would remove for consumers who have an Individualized Plan for Employment (IPE) the following services from the requirement of an economic need test: purchase of books and other training materials required for post-secondary training; and rehabilitation technology including telecommunications, sensory aids, and their technological aids and devices. This rule has a state impact because state funds are required as a match for the Federal Vocational Rehabilitation Funds.								
Division of Social Services	New Licenses	10A NCAC 70E .0703	Glenda Pearce	919-334-1134	Amend	Yes	S	L	SE
	The proposed changes in these rules would ensure that consistent standards are enforced in the various agencies licensed by the Division of Social Services. The rules were revised to meet federal requirements and to become more consistent with national standards.								
Division of Social Services	Re-licensure and Renewal	10A NCAC 70E .0704	Glenda Pearce	919-334-1134	Amend	Yes	S	L	SE
	The proposed changes in these rules will ensure that consistent standards are enforced in the various agencies licensed by the Division of Social Services. The rules were revised to meet federal requirements and to become more consistent with national standards.								
Division of Social Services	Responsible Individual List	10A NCAC 70E .1115	Glenda Pearce	919-334-1134	Amend	Yes	S	L	SE
	The proposed changes in these rules will ensure that consistent standards are enforced in the various agencies licensed by the Division of Social Services. The rules were revised to meet federal requirements and to become more consistent with national standards.								
Division of Social Services	Preplacement Assessment	10A NCAC 70H .0405	Glenda Pearce	919-334-1134	Amend	Yes	S	L	SE
	The proposed changes in these rules will ensure that consistent standards are enforced in the various agencies licensed by the Division of Social Services. The rules were revised to meet federal requirements and to become more consistent with national standards.								
Division of Social Services	Buildings and Ground Equipment	10A NCAC 70J .0106	Glenda Pearce	919-334-1134	Amend	Yes	S	L	SE
	The proposed changes in these rules will ensure that consistent standards are enforced in the various agencies licensed by the Division of Social Services. These rules were revised to meet federal requirements and to become more consistent with national standards.								

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Division of Social Services	Procedures/Reimbursement of Adoption Assistance Benefits These services no longer support the core mission of the Division of Social Services. They were originally intended to provide services and resources to children adopted out of the foster care system and to address these children's special needs. The Division no longer believes that the provision of these resources is utilized appropriately and therefore believes that the funds should not continue.	10A NCAC 70M .0403	Glenda Pearce	919-334-1134	Amend	No	S	L	SE

Total Anticipated Rule Actions for Department of Health and Human Services: 29

Department of Justice

Criminal Justice Education and Training Standards Commission	Required Annual In-Service Training Topics These two rules are amended annually with new in-service training topics. As this is an existing program it does not represent a substantial impact for either State or Local Government.	12 NCAC 09E .0102, .0105	Teresa Marrella	919-661-5980	Amend	No	S	L	-
Sheriffs' Education & Training Standards	Minimum Standards for Employment and Certification as a Justice Officer Potential adoption of new requirement for individuals seeking certification to hold certain level of Career Readiness Certificates could lead to some impact on state and local government entities.	12 NCAC 10B .0300	Julia Lohman	919-662-4370	Adopt	No	S	L	SE
Sheriffs' Education & Training Standards	Professional Certificate Program for Sheriffs and Deputy Sheriffs Potential revisions to the requirements to obtain a professional certificate might have an impact on both state and local government entities.	12 NCAC 10B .1000	Julia Lohman	919-662-4370	Amend	No	U	U	U
Sheriffs' Education & Training Standards	Professional Certificate Program for Detention Officers Potential revisions to the requirements to obtain a professional certificate might have an impact on both state and local government entities.	12 NCAC 10B .1200	Julia Lohman	919-662-4370	Amend	No	U	U	U
Sheriffs' Education & Training Standards	Professional Certificate Program for Telecommunicators Potential revisions to the requirements to obtain a professional certificate might have an impact on both state and local government entities.	12 NCAC 10B .1600	Julia Lohman	919-662-4370	Amend	No	U	U	U

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Sheriffs' Education & Training Standards	In-Service Training for Justice Officers Annual revision of mandated in-service training requirements for deputy sheriffs, detention officers, and telecommunicators.	12 NCAC 10B .2000	Julia Lohman	919-662-4370	Amend	No	S	L	SE
Sheriffs' Education & Training Standards	Minimum Training Requirements The amendment to allow Professional Lecturers (Legal) to teach classroom portion might have an impact on local governments.	12 NCAC 10B .2103	Julia Lohman	919-662-4370	Amend	No	-	U	-

Total Anticipated Rule Actions for Department of Justice: 7

Department of Transportation

Division of Highways - Ferry Operations	Fee Implementation / Fee Increase S.L 2011-145 amends G.S. 136-82 and mandates an increase in ferry toll fees of \$2 million in 2011-2012 and \$2.5 million in 2012-13. This includes tolling for two ferries that were previously toll free. While this would create revenue for the state it would create a cost to those who use the ferries.	19A NCAC 02D .0531, .0532	Helen Landi	919-707-2815	Amend	No	S	U	SE
Division of Highways	Outdoor Advertising Selective Vegetation Removal changes to 19A NCAC 02D .0210, .0211, .0602, .0603 and adoption of 19A NCAC 02D .0608, .0609, .0610, .0611 impact the size and density of the tree stands that outdoor advertising companies are able to remove from the area around permitted billboards. It is not clear what the total impact will be until the fiscal note is complete, but the environmental and aesthetic value of the trees could exceed the substantial economic impact limit.	19A NCAC 02D .0210, .0211, .0602, .0603, .0608, .0609, .0610, .0611	Helen Landi	919-707-2815	Amend	No	S	L	SE
Technical Standards	Small Professional Service Firm and Small Business Enterprise Rules The existing contracting programs Small Business Enterprise and Small Professional Service Firm are in the process of developing and adopting rules. Currently not codified, all costs for running the programs will be noted as having a fiscal impact. This could result in exceeding the substantial economic impact limit.		Helen Landi	919-707-2815	Adopt	Yes	U	U	SE

Total Anticipated Rule Actions for Department of Transportation: 3

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II. Schedule of Anticipated Rules Actions in SFY 2012-2013

Division	Rule Title and Description	NCAC Citation(s)	Contact		Rule Action	Federally Required	Impacts:*		
			Name	Phone			S/	L/	SE
Office of Administrative Hearings									
OAH/Hearings Division	Definition of Service or Serve	26 NCAC 03 .0102, .0131			Amend	No	U	U	-
	OAH amended definition of "service or serve" to allow delivery by electronic mail. This rule change might have an impact on state agencies or units of local government that are a party in a contested case.								

Total Anticipated Rule Actions for Office of Administrative Hearings: 1

Total Anticipated Rules for ALL Agencies: 84

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III. Rules with Local Government Impact Adopted in SFY 2010-2011

Table 6. Rules Affecting Local Governments Adopted Between July 1, 2010 and June 30, 2011

Division	Title of Rule Change	Citation(s)	Contact	Date Adopted	Impact on Local Government by FY (thousands):*				
					2010- 11	2011- 12	2012- 13	2013- 14	2014- 15
Alcohol Beverage Control Commission									
N/A	Fees and Mark-up Formula	4 NCAC 02R .0303-4, .1502	Bob Hamilton (919) 779-0700 Ext. 436	9/13/10	\$0	\$0	\$0	\$0	\$0
Totals for Alcohol Beverage Control Commission:					\$0	\$0	\$0	\$0	\$0
Department of Environment and Natural Resources									
Ecosystem Enhancement Program	Nutrient Offset Payment	15A NCAC 02B .0240, .0274	Suzanne Klimek (828) 329-0871	9/1/10	\$6	\$5	\$4	\$3	\$3
Wildlife Resources Commission	No-Wake Zone Hyde County	15A NCAC 10F .0313	Norman Young (919) 716-6813	10/1/10	-\$2	\$0	\$0	\$0	\$0
Wildlife Resources Commission	No-Wake Zone Person County	15A NCAC 10F .0348	Norman Young (919) 716-6813	10/1/10	-\$3	\$0	\$0	\$0	\$0
Division of Environmental Health	X-ray, Radioactive Material, and Tanning Facilities Fee Increase	15A NCAC 11 .1105, .1106, .1423	Jon Granger (919) 571-4141	10/31/10	\$0	-\$23	-\$23	-\$23	-\$23
Division of Air Quality	Greenhouse Gas Emission	15A NCAC 02D .0544	Joelle Burleson (919) 733-1474	11/18/10	\$0	\$84,910	\$84,910	\$84,910	\$84,910
Division of Water Quality	Falls Lake Nutrient Strategy	15A NCAC 02B .0235, .0275-83, .0315	Jon Huisman (919) 807-6436	1/15/11	-\$29,020	-\$34,220	-\$35,120	-\$46,930	-\$48,040
Division of Water Quality	Pretreatment wastewater	15A NCAC 02H .0900	Deborah Gore (919) 807-6383	4/1/11	-\$10	\$8	\$8	\$8	\$8
Wildlife Resources Commission	No Wake Zone Tyrrell	15A NCAC 10F .0365	Norman Young (919) 716-6813	6/14/11	\$0	-\$1	\$0	\$0	\$0
Division of Water Quality	Expand Uses of Reclaimed Water	15A NCAC 02U .0101-20, .0201-2, .0301, .0401-3, .0500, .0601, .0701, .0801-2, .0901, .1101, .1401	Jon Risgaard (919) 715-6167	6/18/11	-\$1,287	-\$1,032	-\$917	-\$1,049	-\$935
Totals for Department of Environment and Natural Resources					-\$30,316	\$49,646	\$48,861	\$36,918	\$35,923

* Note that positive values are benefits to local governments and negative values are costs.

III. Rules with Local Government Impact Adopted in SFY 2010-2011

Division	Title of Rule Change	Citation(s)	Contact	Date Adopted	Impact on Local Government by FY (thousands):*				
					2010- 11	2011- 12	2012- 13	2013- 14	2014- 15
Department of Health and Human Services									
Division of Public Health	Reporting Communicable Diseases	10A NCAC 41A .0101	Zack Moore (919) 715-4698	11/30/10	-\$10	-\$10	-\$10	-\$10	-\$10
Division of Health Services Regulation	Pediatric Ambulance/ Evacuation Bus Vehicles	10A NCAC 13P .0217-.0220	Erin Glendering (919) 855- 3848	12/14/10	\$0	\$0	\$0	\$0	\$0
Totals for Department of Health and Human Services:					-\$10	-\$10	-\$10	-\$10	-\$10
Department of Justice									
Criminal Justice Standards Division	Admittance of Trainees and Basic Training	12 NCAC 09B .0203, .0205	Teresa Marrella (919) 716-6475	12/14/10	-\$4	-\$8	-\$8	-\$8	-\$8
Criminal Justice Standards Division	In-service Training	12 NCAC 09B .0304; 09E .0102, .0105; 09G .0206	Teresa Marrella (919) 716-6475	12/14/10	\$0	\$0	\$0	\$0	\$0
Sheriffs' Education & Training Standards Commission	Education and Training Standards 2011	12 NCAC 10B .2004, .2005, .2007, .2014	Julia Lohman (919) 716-6450	10/1/10	-\$1,296	-\$1,296	\$0	\$0	\$0
Sheriffs' Education & Training Standards Commission	2011 Education and Training Standards	12 NCAC 10B .0502, .0601, .0603, .0606, .1305	Julia Lohman (919) 716-6451	5/31/11	\$0	-\$534	\$0	\$0	\$0
Totals for Department of Justice:					-\$1,300	-\$1,838	-\$8	-\$8	-\$8
Department of State Treasurer									
N/A	Fee Increase ¹	20 NCAC 03 .0112; 09 .0602	Andrew Holton (919) 807-2368	11/2/10	-\$381	-\$761	-\$761	-\$761	-\$761
Totals for Department of State Treasurer:					-\$381	-\$761	-\$761	-\$761	-\$761
¹ According to the agency, only \$116,000 in fees were collected in FY2010-11 (lower than the estimate presented above and in the fiscal note) and almost \$363,000 in FY2011-12 (to date).									
Office of Administrative Hearings									
N/A	Filing Fees in Contested Cases	26 NCAC 03 .0101, .0103, .0105	Molly Masich (919) 431-3071	8/14/10	\$1	\$1	\$1	\$1	\$1
Totals for Office of Administrative Hearings:					\$1	\$1	\$1	\$1	\$1

* Note that positive values are benefits to local governments and negative values are costs.

III. Rules with Local Government Impact Adopted in SFY 2010-2011

Division	Title of Rule Change	Citation(s)	Contact	Date Adopted	Impact on Local Government by FY (thousands):*					
					2010- 11	2011- 12	2012- 13	2013- 14	2014- 15	
Substance Abuse Professional Practice Board										
N/A	Substance Abuse Professionals License	21 NCAC 68 .0101, .0204, .0208, .0214, .0217, .0225, .0226, .0601-6, .0610-11, .0615, .0620	E. Ann Christian (919) 755-9229	12/31/10	\$0	\$0	\$0	\$0	\$0	
Totals for Substance Abuse Professional Practice Board:					\$0	\$0	\$0	\$0	\$0	
Totals for ALL Agencies:					-\$32,006	\$47,039	\$48,083	\$36,141	\$35,145	

* Note that positive values are benefits to local governments and negative values are costs.