

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Department of Environmental Quality

Permits

Joint Appropriations Committees on
Agriculture, Natural, and Economic Resources

February 22, 2023

Outline

- Permits Generally
- AgNER Permits
- DEQ Permits
- Permitting Authority
- Permit Fees
- Types of Permits
- Processing Times
- Cost of Permitting Positions
- 2021 and 2022 Legislative Action
- Options for 2023



Why Permits Exist

Protect personal health and safety

Protect environment

Mitigate harm



Factors that Impact Permit Numbers

- **Population increases**
- **State and federal infrastructure investment**
- **Economic development**



AgNER Permits

Most AgNER Agencies Issue Permits:

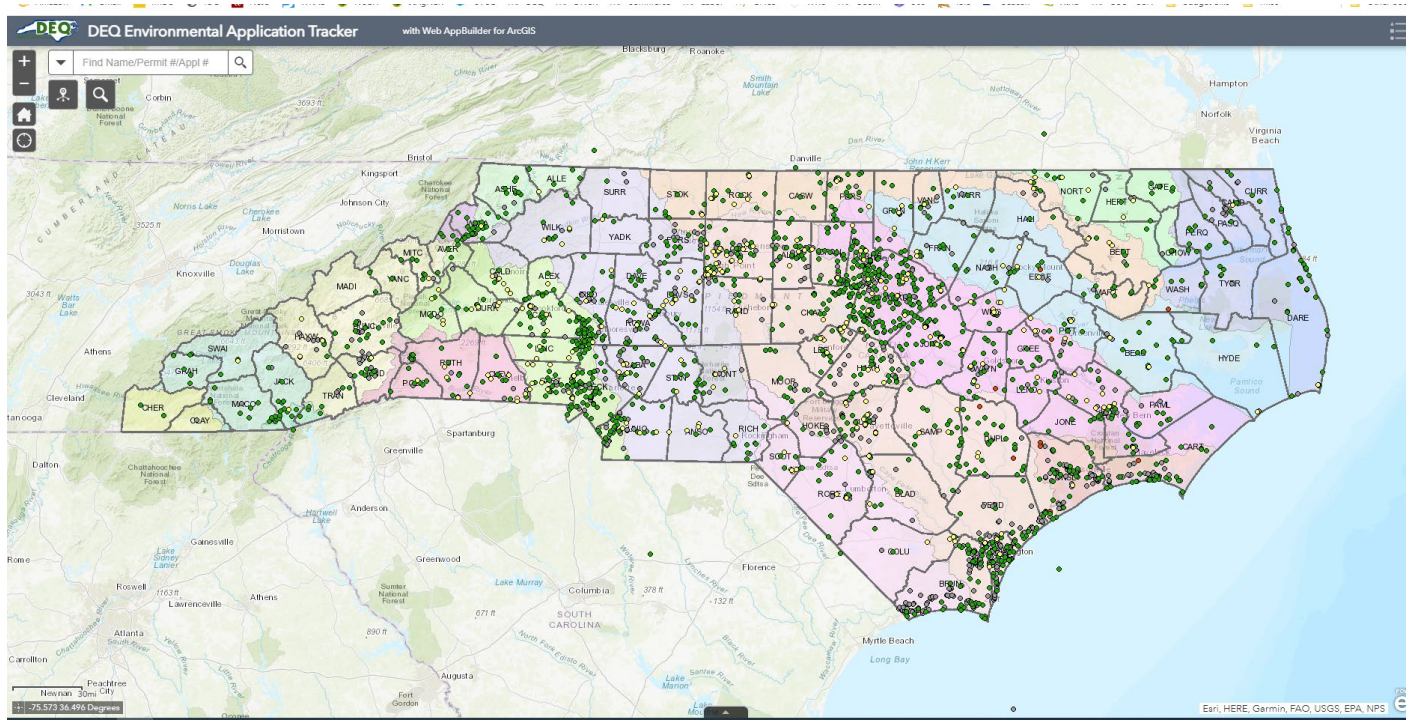
- DACS
- WRC
- DNCR
- DEQ
- Labor



DEQ Permits

28,304 permits

\$26.8 million



Authority for Permits

Federal

- National Pollution Discharge Elimination System (NPDES)
- Clean Water Act 401 Water Quality Certification
- Coastal Zone Management Act

State

- Erosion and Sedimentation Control
- State stormwater
- Septage management

Local

- Local erosion and sedimentation control
- Local air quality programs
- On-site wastewater
- Building codes



Who Sets Permit Fees

NCGA

- Mining
- NPDES

EMC

- Air Quality

Both

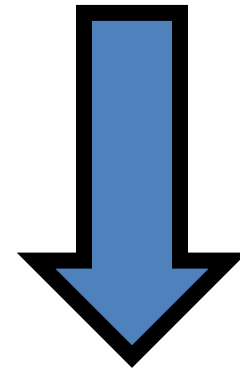
- Dams
- CAMA



Permit Fees



Free

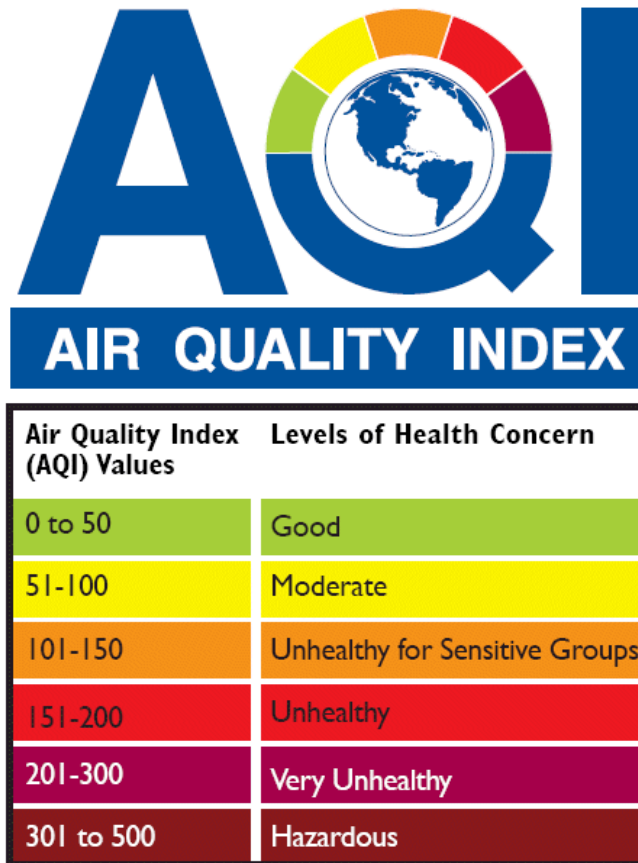


\$50,000



Types of Permits: DAQ

- Title V
- General
- Minor



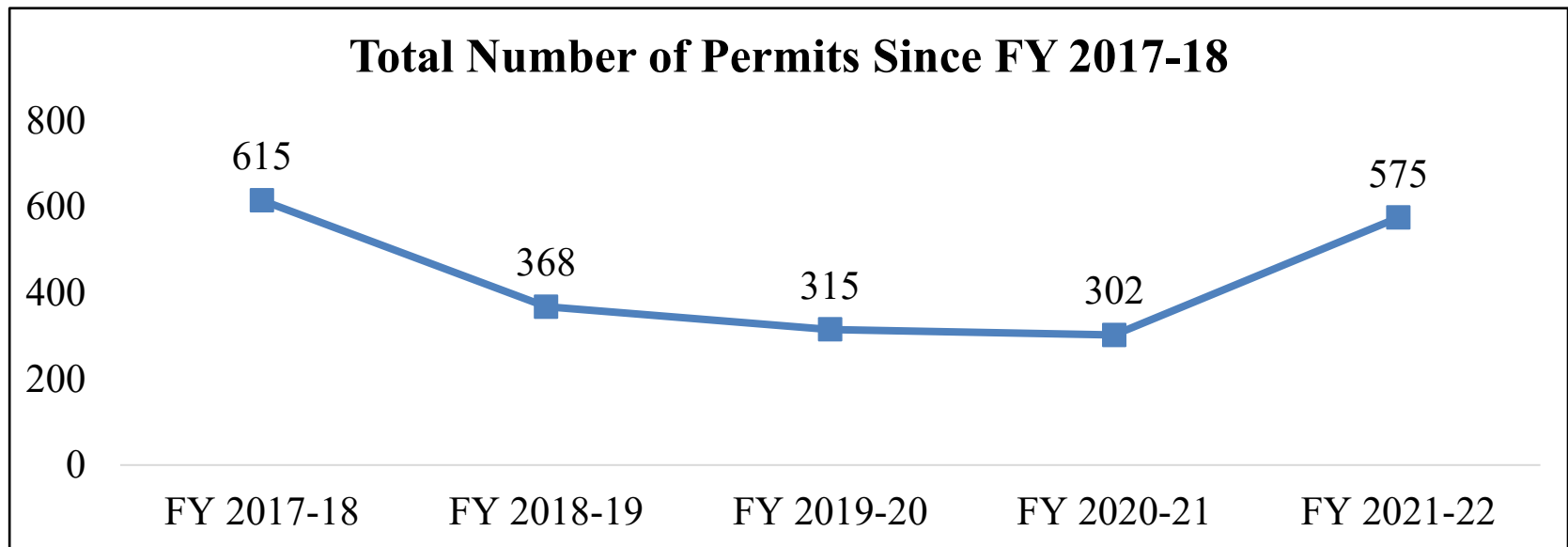
Types of Permits: DAQ

Fee Range: \$50 - \$33,720, plus tonnage fees for Title V permittees

Last changed: Title V – January 1, 2023 inflationary adjustment

207.5 FTE Division-wide; 35 vacant

Operating Costs for Non-Title V and Title V: \$8.8 million



Types of Permits: DCM

- CAMA Major
- CAMA General
- CAMA Minor



Types of Permits: DCM

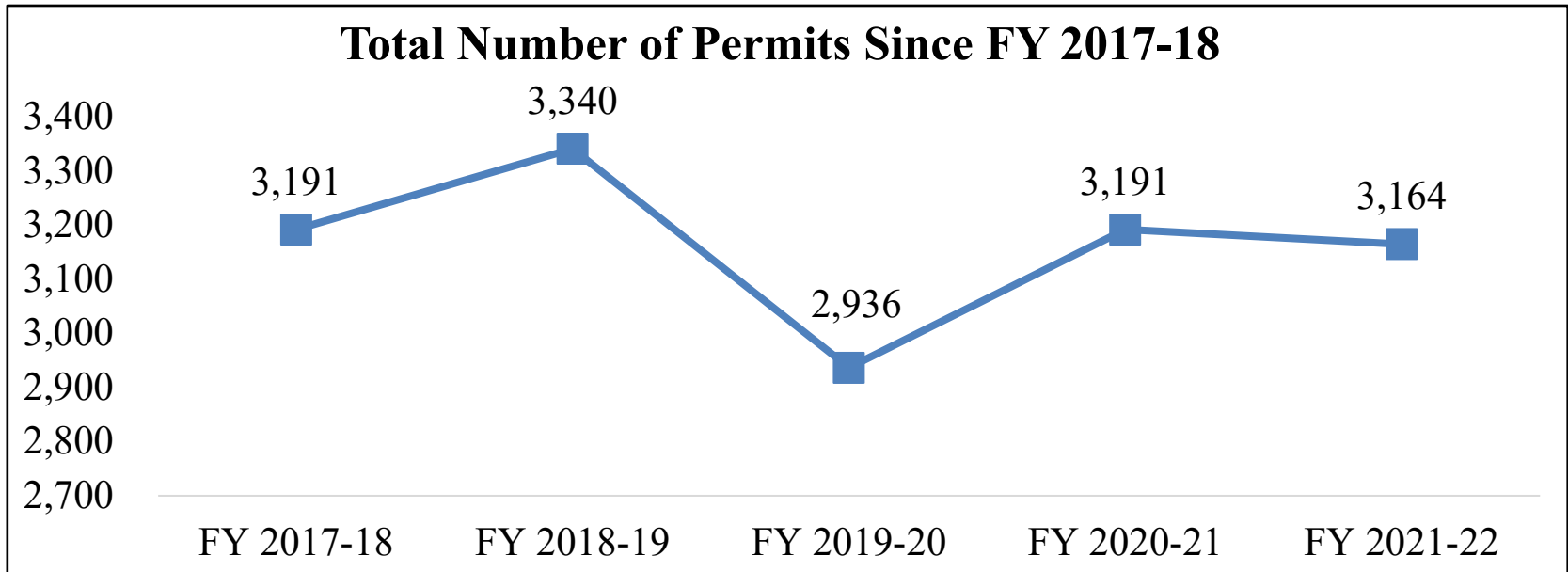
Fee Range: \$100 - \$475

Last changed: 2000

55.075 FTE Division-wide; 5 vacant

~29 permitting staff (includes all Regional Office FTE)

Operating Costs: ~\$4.2 million



Types of Permits: DEMLR



- Stormwater
- Erosion and Sedimentation
- Mining
- Dams



Types of Permits: DEMLR

Program	Fee Range	Last Changed
Erosion and Sedimentation	\$100 an acre	2022
State Stormwater	\$505	2007
NPDES Stormwater	\$100 - \$3,440	2007
Dam Safety	\$200 - \$50,000	1991
Mining	\$100 - \$5,000	2017

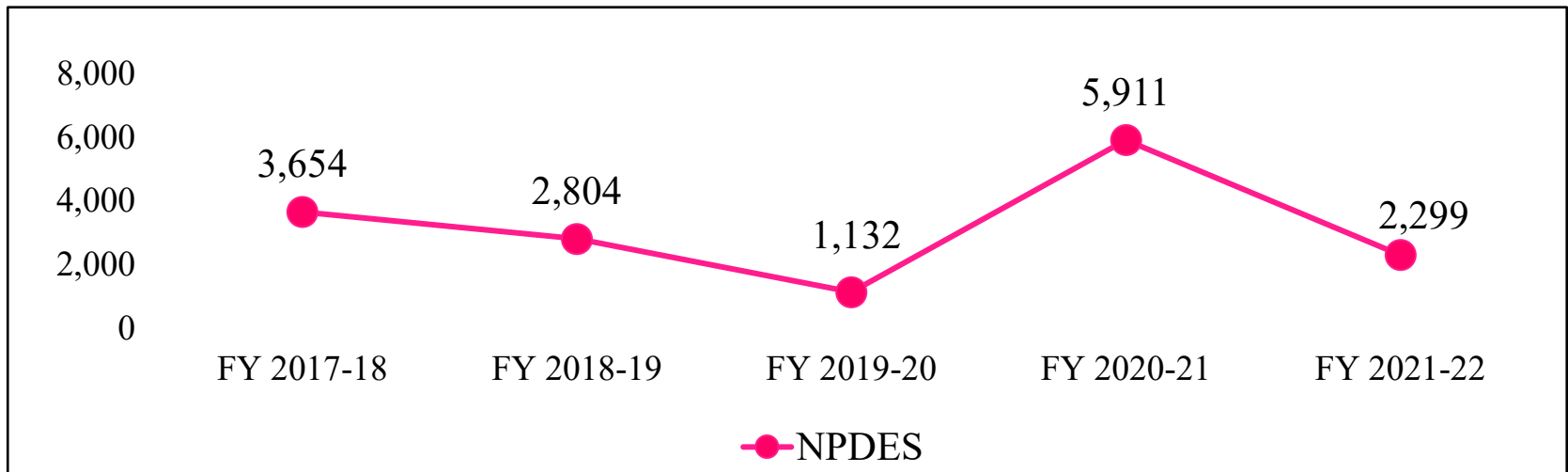
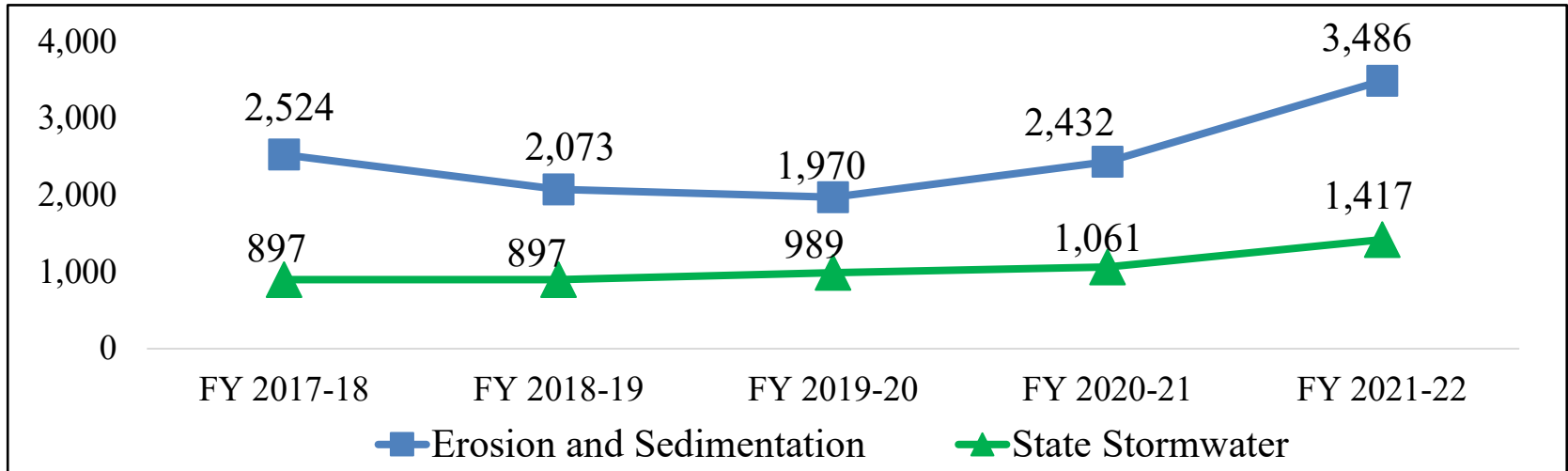
116.77 FTE Division-wide; 34.3 vacant

~95.5 permitting staff (includes all Regional Office FTE)

Operating Costs: ~\$11.8 million, \$4.9 million from fees

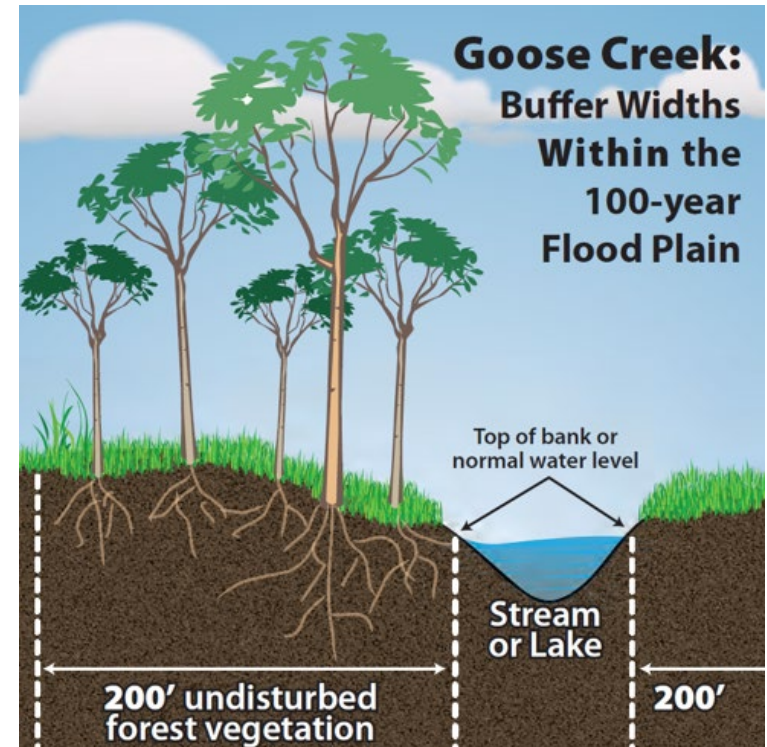


Number of Permits Since FY 2017-18



Types of Permits: DWR

- Industrial wastewater
- Municipal wastewater
- Land application
- Public water supply systems
- 401 Stream determinations and buffers
- Lab certifications
- Animal feeding operations



Types of Permits: DWR

Program	Fee Range	Last Changed
Community Water System	\$155 - \$5,950	2006
401 Water Quality Certification	\$240 - \$570	2007
Public Water Supply Plan Review	\$50 - \$250	2006
Lab Certification	\$50 - \$300	2002
Animal Waste (State and NPDES)	\$60 - \$360	2007
Nondischarge	\$810 - \$1,310	2007
NPDES Wastewater	\$60 - \$3,440	2007

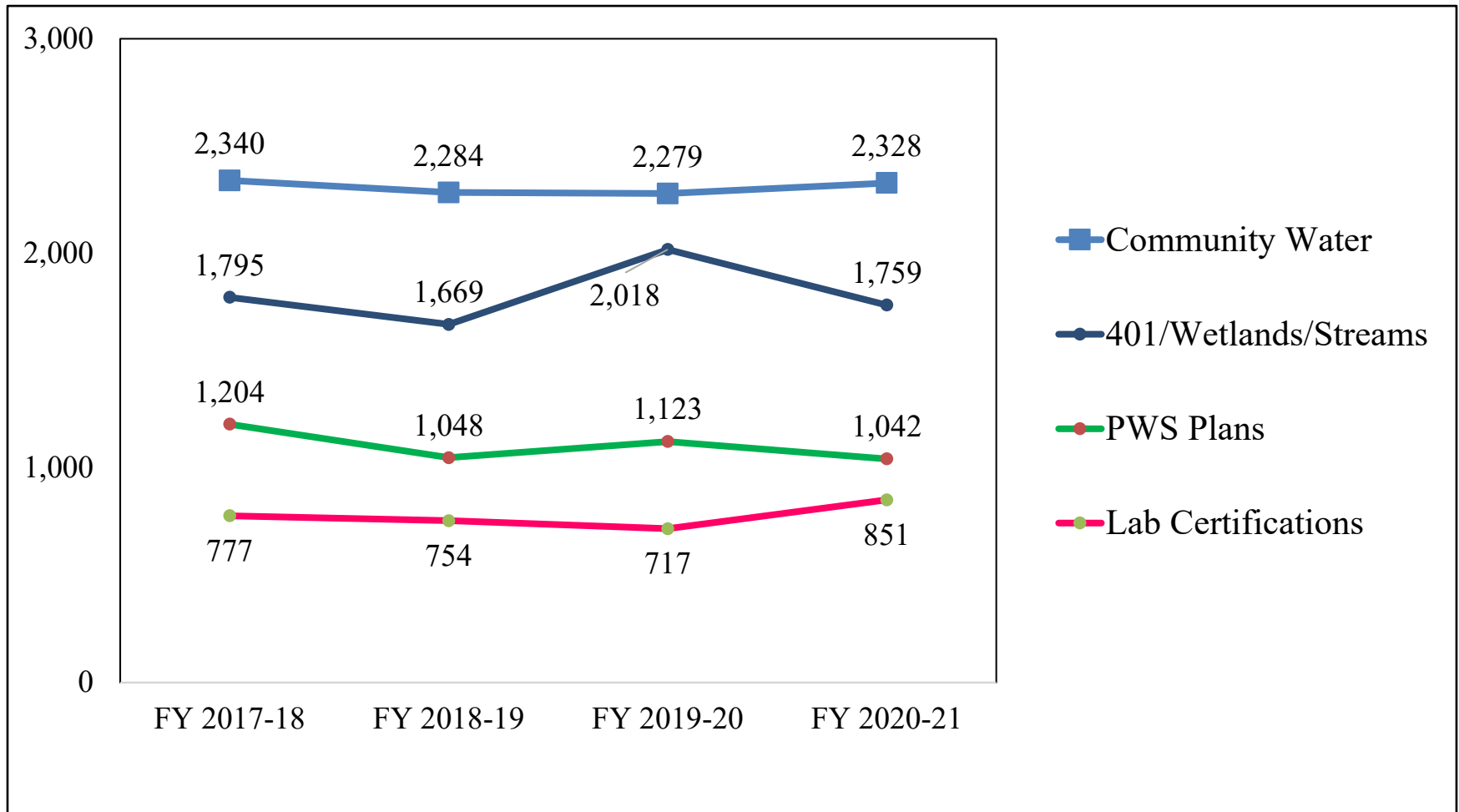
452.90 FTE Division-wide; 100.35 vacant

Operating Costs: ~ 56.2 million

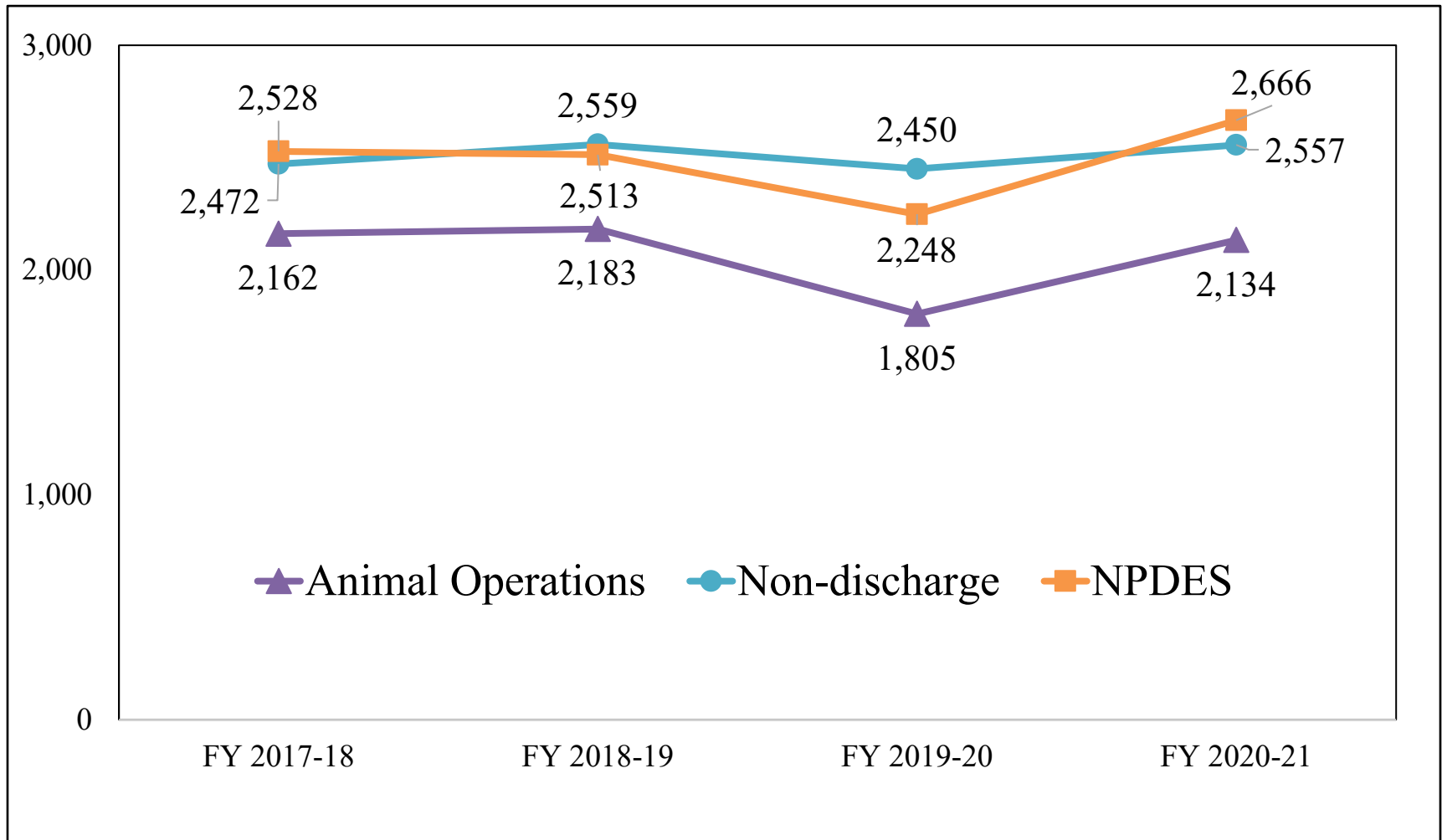
Total Number of Permits FY 2020-21: 13,337



Number of Permits Since FY 2017-18



Number of Permits Since FY 2017-18



Types of Permits: DWM

- Hazardous waste
- Landfills
- Septage management
- Scrap tire haulers
- Underground storage tanks



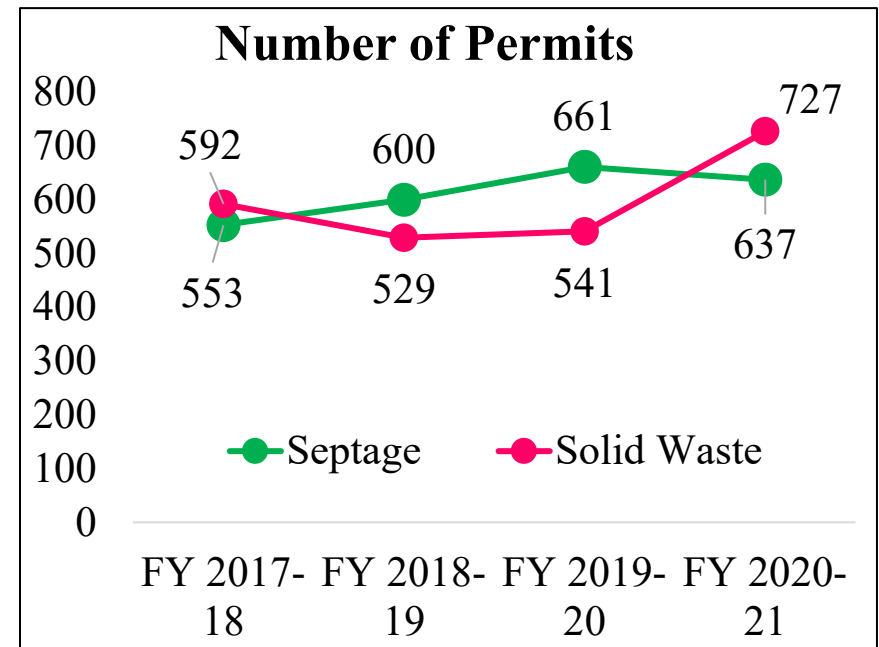
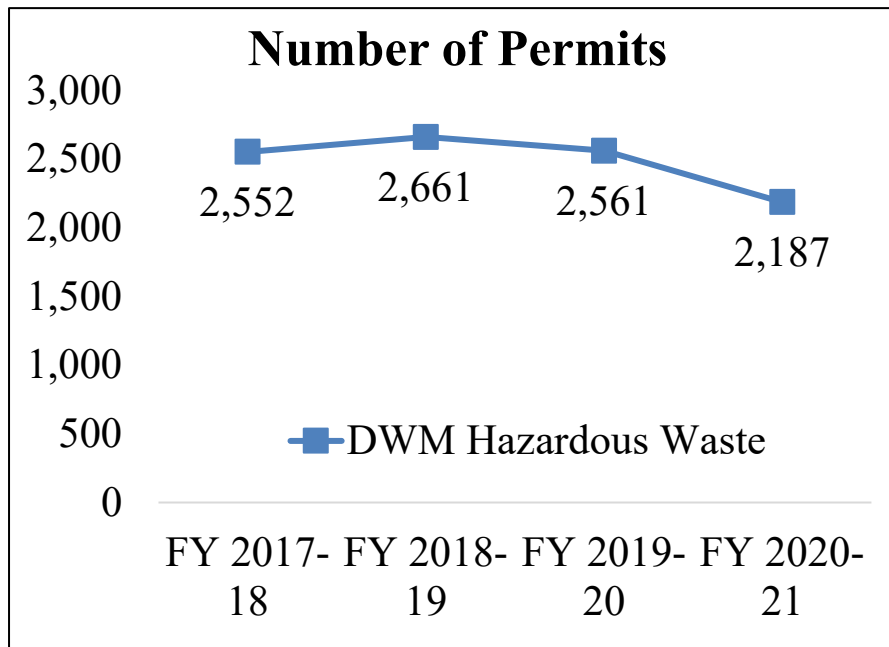
Types of Permits: DWM

Fee Range: \$200 - \$35,000

Last changed: 2001 (Septage); 2007 (Solid Waste); 2010 (Hazardous Waste)

283.55 FTE Division-wide; 29.40 vacant

Operating Costs: ~ \$83.9 million



Permit Processing Times

Permit	Statute	Deadline (Days)	Automatic Approval?
CAMA Major	G.S. 113A-122(c)	75	Yes
CAMA Minor	G.S. 113A-121	25	Yes
Erosion and Sedimentation	G.S. 113A-54.1	30	Yes
State Stormwater	G.S. 143-215.1(c)(4)	90	No
Wetland/401/Stream Determination	15A NCAC 02H .0507	60	Yes
Sewer Systems (Non-discharge)	G.S. 143-215.1(d)(1)	90	Yes
Point Source Discharge	G.S. 143-215.1(c)(4)	90	No
Animal operations (general)	G.S. 143-215.10C(c1)	90	Yes



Permit Processing Times

DEACS Permit Assistance (One-Stop)

G.S. 143B-279.12

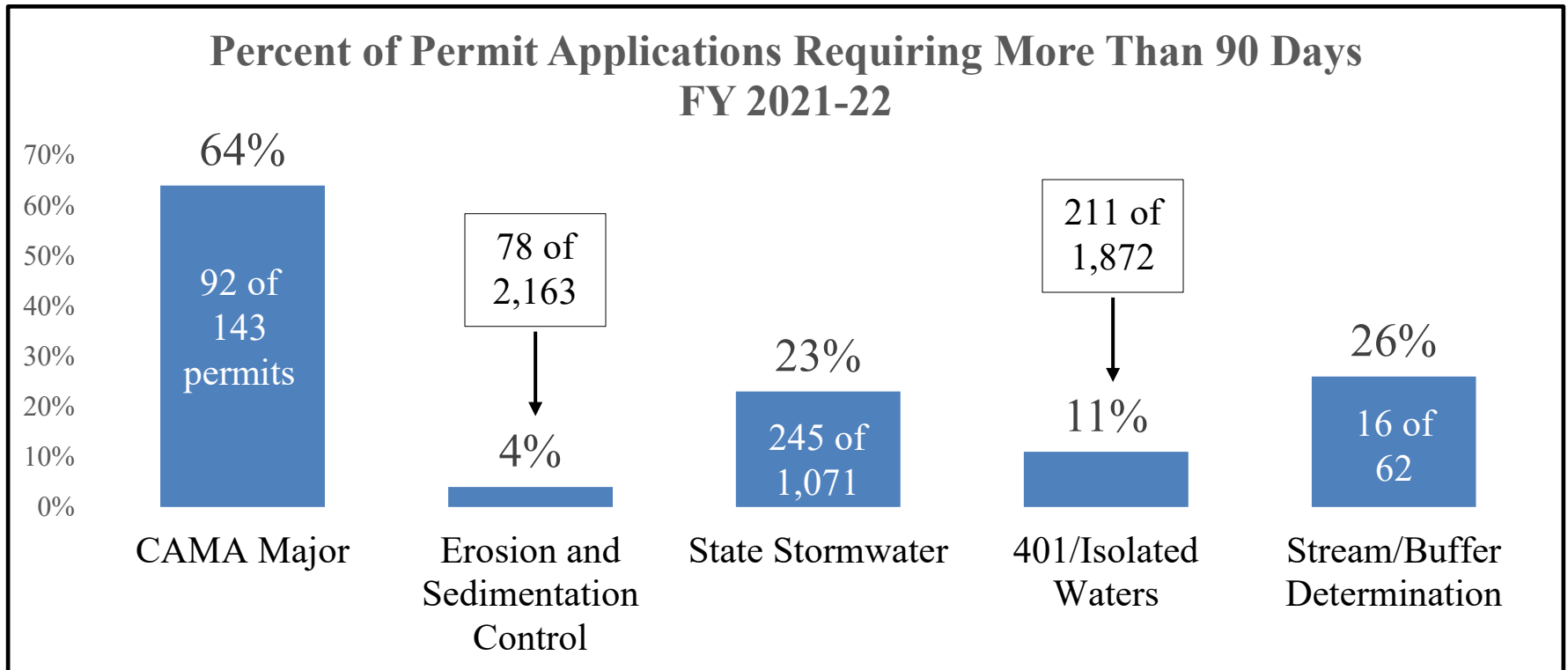
- **Single point of contact**
- **Coordinate scoping meetings**
- **Estimated time for decision**
- **Automatic approval if no decision within 60 days of the original estimate**



Permit Processing Times

Biennial Permit Processing Times Report

G.S. 143B-279.17



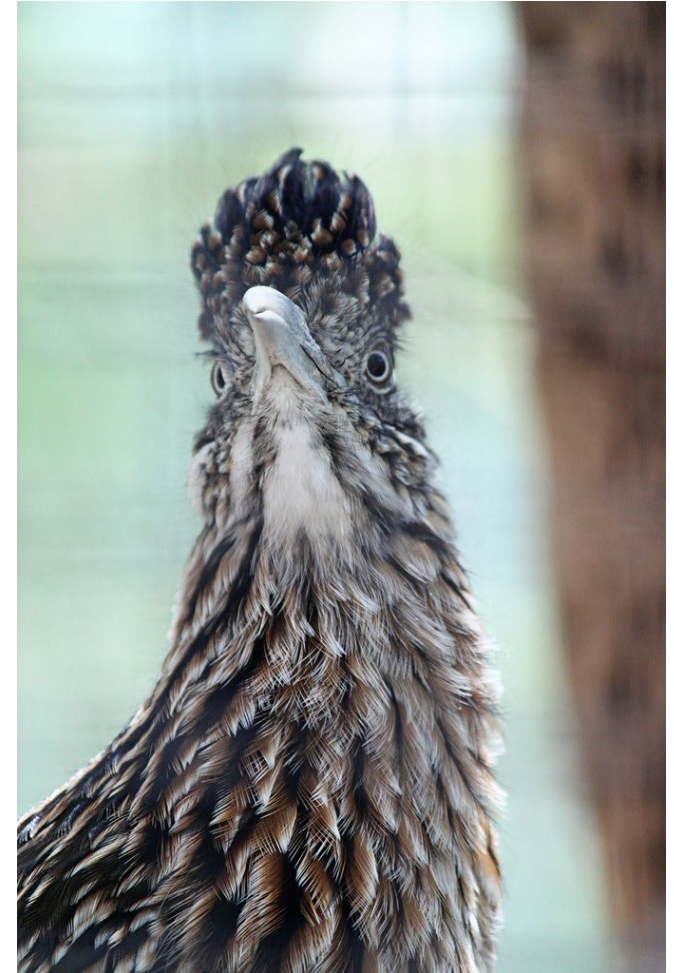
Alternative Routes

Fast Track (G.S. 143-214.7B)

- Stormwater only
- Applications that meet certain criteria and are prepared by a qualified professional
- Two-step process - \$505 each step

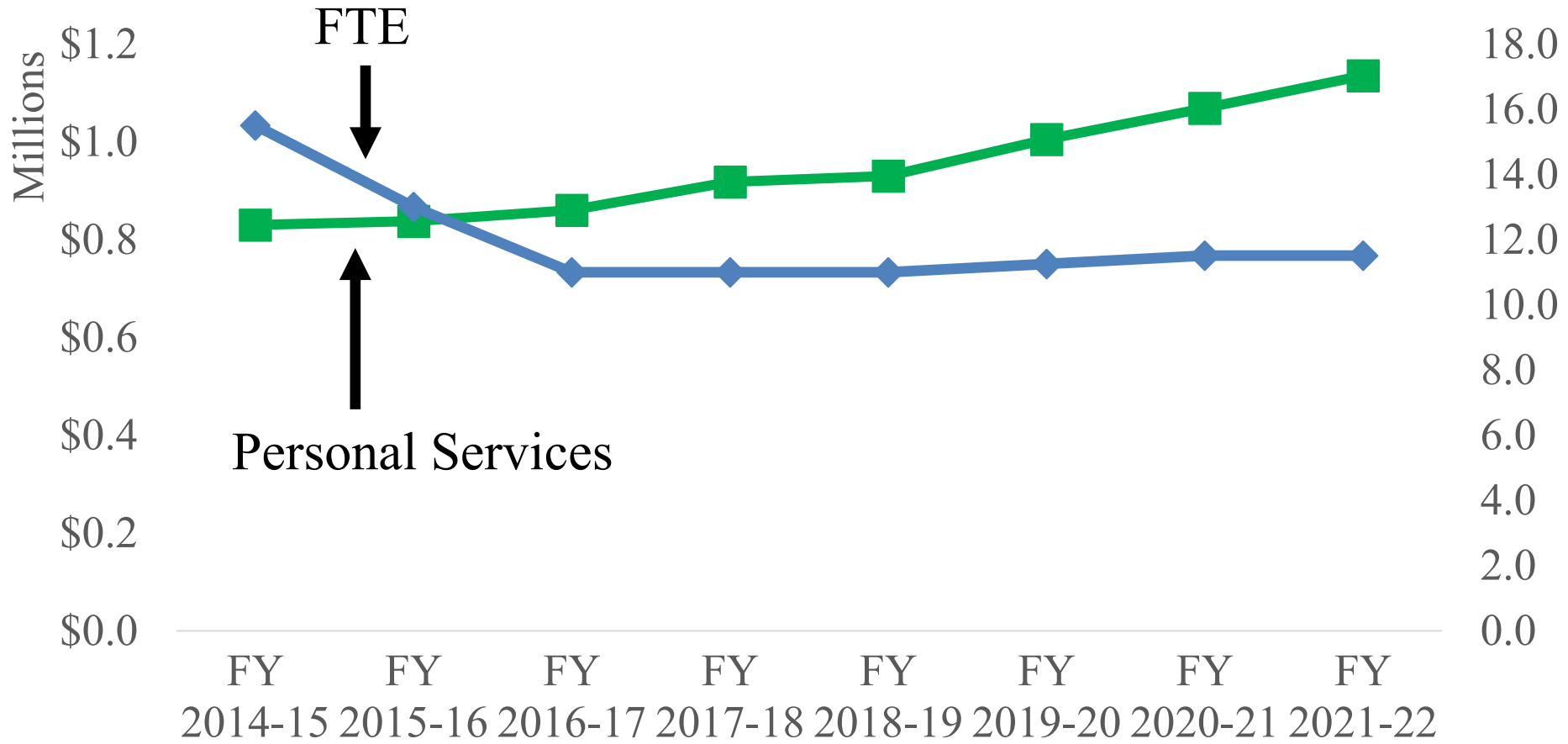
Express (G.S. 143B-279.13)

- CAMA
- Erosion and Sedimentation Control
- Stormwater
- 401/Water Quality Certification and Stream Origination
- Fees range from \$4,000 to \$5,500



Fee Supported Positions

Express Permitting Personal Services and FTE



Entry-Level Permitting Positions

Total Position Costs FY 2014-15 and **FY 2022-23**

Position	Base Salary	Social Security	Health	Retirement	Total Position Cost
Environmental Specialist	\$35,474	\$2,714	\$4,179	\$5,211	\$47,578
	\$43,500	\$3,328	\$7,397	\$10,658	\$64,882
Engineer	\$43,030	\$3,292	\$4,179	\$6,321	\$56,822
	\$52,875	\$4,045	\$7,397	\$12,954	\$77,271
Hydrogeologist	\$38,519	\$2,947	\$4,179	\$5,658	\$51,303
	\$58,294	\$4,459	\$7,397	\$14,282	\$84,433



Permits: 2021-22 Legislative Actions

S.L. 2021-180

- \$2.5 million R for a Permit Reserve
- \$142,932 R for a Permit Transformation Manager
- \$5.51 million NR both years for the Permit Transformation project
- \$453,821 R for 4.00 FTE for Dam Safety
- Increased fee for erosion and sedimentation control plans from \$65 per acre to \$100 per acre

S.L. 2022-74

- Sec. 12.7 allows permit applicants on the coast to submit applications to either the Washington or Wilmington regional offices



Permit Reserve

S.L. 2021-180, Sec. 12.24 and Committee Report

\$2.5 million R to support permitting activities

DEQ Created 23 Positions	
Coastal Management	1
DEACS	2
DEMLR	6
Waste Management	2
Water Resources	12



Permits: 2023 Legislative Options

- **Most fees haven't been changed since 2007**
- **The cost for permitting positions has increased**
 - Maintain status quo
 - Increase fees in statute
 - Set new fees and allow EMC to increase annually
 - Appropriate additional funding



Questions?

