

ENVIRONMENT

The environmental committee seeks to achieve environmental protection without unnecessarily hindering economic development and business growth. The committee supports legislative and administrative actions that are scientifically valid, technically feasible and economically rational.



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Scientifically valid, economically rational energy initiatives

The Kentucky Chamber of Commerce believes economic growth, energy independence and environmental protection are compatible and complementary goals. We recognize that legitimate uses of the environment should be protected and that business activities may affect environmental quality. To achieve rational regulatory objectives, the Chamber encourages legislative and administrative actions that satisfy the following criteria:

Scientific Validity: The need for government action should be established on the basis of objective information on which meaningful consensus can be achieved. Such information should demonstrate that any proposed action would result in the avoidance of environmental harms or the creation of environmental benefits.

Technical Feasibility: To achieve the true objective of environmental regulation, information on technologies for compliance must be made readily available to those required to take action well within the time provided by government mandates.

Economic Rationality: Government action and requirements for compliance should con-

sider the ability of business to operate profitably within the confines of any legal framework. Also, state government, utilities and businesses should work hand-in-hand to maintain a process to balance ratepayers' desires for competitive rates, to incentivize energy production innovations and clean coal technologies, and to encourage energy efficiency opportunities.

Strive for Energy Independence and a Pro-Energy Economic Policy

The Kentucky Chamber is encouraged by the General Assembly's recent efforts to foster Kentucky's energy independence. The Chamber recognizes energy conservation and efficiency as high-priority energy strategies. The Chamber strongly supports incentives for



Through May 2009, Kentucky's electricity rates were the third lowest in the country with an average price of 6.4 cents per kilowatt-hour.

State Energy Profiles, Energy Information Administration



Kentucky is the third largest coal-producing state in the country, producing 119.8 million tons of coal in 2008 alone.

U.S. Department of Energy

businesses that go beyond existing environmental standards and for those who are proactive in promoting conservation and efficiency. State government should join with business to find creative solutions to help reduce the upfront costs associated with implementing conservation and efficiency measures. The Kentucky Chamber also supports the utilization of Kentucky's abundant coal resources to provide much needed electric power. We also support biomass initiatives, the development of alternative energy sources, and capital investment in Kentucky's energy infrastructure. With new pollution control technologies and other innovations, more energy development is possible while protecting Kentucky's environment.

Promote Sensible State and Local Environmental Regulation

The Kentucky Chamber small business believes that federal standards provide appropriate protection for human health and the environment. The Chamber opposes the adoption of more stringent state and local programs that would adversely affect Kentucky's ability to remain competitive in the global economy. When state and local governments engage in significant revisions of their environmental regulations, we strongly encourage the use of a stakeholder process for development of these programs. Any resulting regulatory frame-

work must be based on sound science and be both economically rational and technically feasible to achieve the laudable objective of a cleaner environment. Uniformity between federal, state and local programs helps save businesses valuable resources in compliance procedures. The Chamber opposes local government authority to enforce federal and state environmental requirements. To the extent that regulatory programs already exist at the local level, it is incumbent upon the local agency to administer a meaningful appeals process to provide adequate consideration of disputed issues prior to civil court action.

Maintain the Reductions in Permit Backlogs

The Kentucky Chamber supports innovative approaches to continue the reductions in permitting backlogs and to further improve the permitting process. In today's rapidly changing business environment, quick action on permit applications is critical to keeping Kentucky business competitive. Access to permit review staff for meetings and assistance is especially important for project planning purposes but is difficult to obtain when staff are overburdened reviewing pending applications. Backlogs have been reduced over the last two years, and the Chamber urges continued vigilance to maintain these improvements as well as measures to further shorten the response time for issuance of permits.



The Chamber encourages creative solutions to increase staffing (including use of consultants).

Expanded Recycling Incentives and Opportunities

The Kentucky Chamber fully supports expanding voluntary recycling initiatives as a way for businesses to help the environment. In contrast to other states, many areas of Kentucky lack the facilities and equipment to recycle materials from local businesses.

Encouraging and supporting public-private partnerships could increase recycling opportunities statewide. The Kentucky Chamber believes that expanded recycling opportunities and incentives are not only good for the environment of the Commonwealth, they can be good for business.

Promote Brownfield Redevelopment

The Kentucky Chamber strongly supports efforts among policy-makers, business leaders and local communities to encourage redevelopment of the state's many brownfield sites. The Voluntary Environmental Remediation Program (VERP) represents an environmentally sound approach to bring these sites back into productive use. The Chamber also believes the transfer of the program to the Division of Compliance Assistance furthers the goals of brownfield legislation. Recent regulatory progress notwithstanding, cost continues

to be a considerable obstacle to urban renewal and infill development. The Chamber supports legislation that provides tax incentives, low-interest loans or grants and opportunities for federal matching funds for those willing to invest in returning Kentucky's brownfields to productive use.

Improve the Environmental Leadership Program

The Kentucky Chamber supports the continued development of the environmental leadership program for Kentucky industry, known as KY EXCEL. A program that rewards companies for their environmental leadership in pollution prevention, emissions reductions, and environmental management systems is of great benefit to Kentucky's business community and all of the Commonwealth's citizens. To be successful, the program needs improvements in tangible benefits for environmental leaders. Improvements would include providing tax incentives, giving leaders priority in permit application processing, reducing the frequency of inspections and allowing greater flexibility in addressing any noncompliance issues that may arise.

Promote Uniform Enforcement

The Kentucky Chamber supports efforts by the Energy and Environment Cabinet to ensure existing environmental laws and regulations are

small business

Coal was the primary fuel for 93% of all the electricity produced in Kentucky.

American Coalition for Clean Coal Electricity



Kentucky is the fifth largest hydroelectric power producer east of the Mississippi River.

State Energy Profiles, Energy Information Administration

applied and enforced in a consistent, non-discriminatory manner at both public and private facilities.

Reform Notice of Violation (NOV) Procedures

Current administrative enforcement procedures allow little flexibility or discretion on the part of inspectors. Generally, any and all violations of existing regulations and requirements result in the immediate issuance of a “notice of violation.” With the exception of immediate threats to health, safety or the environment, inspectors should have an alternative to issuing an NOV for non-compliance, as well as for a waiver of fines for first-time offenders. There is currently no end date for punitive administrative action stemming from an NOV. The Kentucky Chamber urges the General Assembly to place reasonable time limits on punitive action following the issuance of NOVs by state agencies.

Climate Change/Carbon-Management

The Kentucky Chamber

small business

supports the use of renew-

able and alternative energy sources to foster energy independence and economic growth, and does not oppose the concept of federal climate change legislation in principle. The Kentucky Chamber will continue to evaluate the merits of any carbon-management legislation on a case-by-case basis.

However, we continue to recognize the vital importance of Kentucky’s coal resources and the impact those resources have on the economy of the Commonwealth. The Kentucky Chamber believes that a comprehensive national energy policy should focus on investing in energy production innovations along with clean coal technologies and avoid arbitrary mandates and punitive policies that would serve to drive up costs and stifle innovation and place citizens and businesses of Kentucky at a distinct economic disadvantage with neighboring states. Climate change policies that allow technology to spur energy innovation would continue to protect the economy of the Commonwealth, while securing our nation’s economic and energy futures.