HOUSE BILL 654

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003 INTRODUCED BY

John A. Heaton

AN ACT

RELATING TO THE ENVIRONMENT; AMENDING SECTIONS OF THE WATER

QUALITY ACT TO PROVIDE FOR PUBLIC HEARINGS AND APPEALS ON WATER

QUALITY PERMITS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 74-6-5 NMSA 1978 (being Laws 1973, Chapter 326, Section 4, as amended) is amended to read:

"74-6-5. PERMITS--CERTIFICATION--APPEALS TO COMMISSION.--

- A. By [regulation] rule the commission may require persons to obtain from a constituent agency designated by the commission a permit for the discharge of any water contaminant or for the disposal or re-use of septage or sludge.
- B. The commission shall adopt [regulations] rules establishing procedures for certifying federal water quality permits.

C. Prior to the issuance of a permit, the
constituent agency may require the submission of plans,
specifications and other relevant information that it deems
necessary.

- D. The commission shall by [regulation] rule set the dates upon which applications for permits shall be filed and designate the time periods within which the constituent agency shall, after the filing of an administratively complete application for a permit, either grant the permit, grant the permit subject to conditions or deny the permit.
- E. The constituent agency shall deny any application for a permit or deny the certification of a federal water quality permit if:
- (1) the effluent would not meet applicable state or federal effluent regulations, standards of performance or limitations;
- (2) any provision of the Water Quality Act would be violated;
- (3) the discharge would cause or contribute to water contaminant levels in excess of any state or federal standard. Determination of the discharges' effect on ground water shall be measured at any place of withdrawal of water for present or reasonably foreseeable future use. Determination of the discharges' effect on surface waters shall be measured at the point of discharge; or

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1	(4) the applicant has, within the ten years
2	immediately preceding the date of submission of the permit
3	application:
4	(a) knowingly misrepresented a material
5	fact in an application for a permit;
6	(b) refused or failed to disclose any
7	information required under the Water Quality Act;
8	(c) been convicted of a felony or other
9	crime involving moral turpitude;
10	(d) been convicted of a felony in any
11	court for any crime defined by state or federal law as being a
12	restraint of trade, price-fixing, bribery or fraud;
13	(e) exhibited a history of willful
14	disregard for environmental laws of any state or the United
15	States; or
16	(f) had an environmental permit revoked
17	or permanently suspended for cause under any environmental laws
18	of any state or the United States.

F. The commission shall by [regulation] rule develop procedures that ensure that the public, affected governmental agencies and any other state whose water may be affected shall receive notice of each application for issuance or modification of a permit. No ruling shall be made on any application for a permit without opportunity for a public hearing at which all interested persons shall be given a

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reasonable chance to submit data, views or arguments on the application or draft permit orally or in writing [and to examine witnesses testifying at the hearing].

- The commission may adopt [regulations] rules for the operation and maintenance of the permitted facility, including requirements, as may be necessary or desirable, that relate to continuity of operation, personnel training and financial responsibility, including financial responsibility for corrective action.
- Permits shall be issued for fixed terms not to exceed five years, except that for new discharges, the term of the permit shall commence on the date the discharge begins, but in no event shall the term of the permit exceed seven years from the date the permit was issued.
- By [regulation] rule, the commission may impose Ι. reasonable conditions upon permits requiring permittees to:
- install, use and maintain effluent (1) monitoring devices;
- sample effluents and receiving waters for any known or suspected water contaminants in accordance with methods and at locations and intervals as may be prescribed by the commission;
- (3) establish and maintain records of the nature and amounts of effluents and the performance of effluent control devices;

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- (4) provide any other information relating to the discharge or direct or indirect release of water contaminants; and
- (5) notify a constituent agency of the introduction of new water contaminants from a new source and of a substantial change in volume or character of water contaminants being introduced from sources in existence at the time of the issuance of the permit.
- J. The commission shall provide by [regulation]
 rule a schedule of fees for permits, not exceeding the
 estimated cost of investigation and issuance, modification and
 renewal of permits. Fees collected pursuant to this section
 shall be deposited in the water quality management fund.
- K. The issuance of a permit does not relieve any person from the responsibility of complying with the provisions of the Water Quality Act, any applicable [regulations] rules or water quality standards of the commission or any applicable federal laws, regulations or standards.
- L. A permit may be terminated or modified by the constituent agency that issued the permit prior to its date of expiration for any of the following causes:
 - (1) violation of any condition of the permit;
- (2) obtaining the permit by misrepresentation or failure to disclose fully all relevant facts;
 - (3) violation of any provisions of the Water

Quality Act or any applicable [regulations] rules, standard of performance or water quality standards;

- (4) violation of any applicable state or federal effluent regulations or limitations; or
- (5) change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge.
- M If the constituent agency denies, terminates or modifies a permit or grants a permit subject to condition, the constituent agency shall notify the applicant or permittee by certified mail of the action taken and the reasons.
- N. A person who participated in a permitting action before a constituent agency or a person affected by a certification of a federal permit and who is adversely affected by such permitting action or certification may file a petition for review before the commission. The petition shall be made in writing to the commission within thirty days from the date notice is given of the constituent agency's action, and shall include a statement of the issues to be raised and the relief sought. Unless a timely petition for review is made, the decision of the constituent agency shall be final and not subject to judicial review.
- 0. If a timely petition for review is made, the commission shall [hold a hearing] consider the petition within ninety days after receipt of the petition. The commission . 142288. 2

shall notify the petitioner and the applicant or permittee if other than the petitioner by certified mail of the date, time and place of the [hearing] review. If the petitioner is not the applicant or permittee, the applicant or permittee shall be a party to the proceeding. If the commission deems the action that is the subject of the petition to be affected with substantial public interest, it shall ensure that the public receives notice of the date, time and place of the [hearing and is given a reasonable chance to submit data, views or arguments orally or in writing and to examine witnesses testifying at the hearing. A person submitting data, views or arguments orally or in writing shall be subject to examination at the hearing. In the hearing, the burden of proof shall be upon the petitioner. The commission may designate a hearing officer to take evidence in the hearing] review.

P. The commission shall review the record compiled before the constituent agency, including the transcript of any public hearing held on the application or draft permit, and shall allow any party to submit arguments. The commission may designate a hearing officer to review the record and the arguments of the parties and recommend a decision to the commission. The commission shall consider and weigh only the evidence contained in the record before the constituent agency and the recommended decision of the hearing officer, if any, and shall not be bound by the factual findings or legal

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conclusions of the constituent agency. Based [upon the evidence presented at the hearing] on the review of the evidence, the arguments of the parties and recommendations of the hearing officer, the commission shall sustain, modify or reverse the action of the constituent agency.

- [P. If the petitioner requests, the hearing shall be recorded at the cost of the petitioner. Unless the petitioner requests that the hearing be recorded, the decision of the commission shall be final.]
- Q. Prior to the date set for review, if a party shows to the satisfaction of the commission that there was no opportunity to submit comment or evidence on an issue being challenged, the commission shall order that additional comment or evidence be taken by the department of environment. Based on the additional evidence, the department of environment may revise the decision and shall promptly file with the commission the additional evidence received and action taken.
- R. The commission shall notify the petitioner and all other parties to the proceeding and the reasons for decisions."
- Section 2. Section 74-6-7 NMSA 1978 (being Laws 1967, Chapter 190, Section 6, as amended) is amended to read:
 - "74-6-7. ADMINISTRATIVE ACTION--JUDICIAL REVIEW. --
- A. Except as otherwise provided in the Water Quality Act, a person who is adversely affected [by a . 142288.2

regulation adopted by the commission or] by a compliance order approved by the commission or who participated in a permitting action or appeal of a certification before the commission and who is adversely affected by such action may appeal to the district court [of appeals] for further relief pursuant to the provisions of Section 39-3-1.1 NMSA 1978. All such appeals shall be upon the record made before the commission and shall be taken to the district court [of appeals] within thirty days after the [regulation] compliance order, permitting action or certification that is being appealed occurred. [If an appeal of a regulation is made, then the date of the commission's action shall be the date of the filing of the regulation under the State Rules Act.]

B. A person who is or may be adversely affected by a regulation adopted by the commission may appeal the regulation by filing a notice of appeal with the court of appeals within thirty days of the filing of the regulation by the commission pursuant to the State Rules Act.

<u>C.</u> Upon appeal, the court of appeals shall set aside the [commission's action] regulation only if it is found to be:

- (1) arbitrary, capricious or an abuse of discretion:
- $\mbox{(2)} \quad \mbox{not supported by substantial evidence in} \\ \mbox{the record; or} \\$

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[C.]

(3)	otherwise not in accordance with raw.	
<u>D.</u>	After a hearing and a showing of good	

cause by the appellant, a stay of the action being appealed may be granted pending the outcome of the judicial review.

The stay of the action may be granted by the commission, the district court or [by] the court of appeals if the commission denies a stay or fails to act upon an application for a stay within [ninety] thirty days after receipt of the application."

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