

The House Committee on Natural Resources & Environment offered the following substitute to HB 587:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 1 of Title 12 of the Official Code of Georgia Annotated, relating to  
2 general provisions relative to conservation and natural resources, so as to provide a statement  
3 of legislative findings; to define certain terms; to create the Advisory Committee on Risk  
4 Assessment and Cost-Benefit Analysis; to provide for the membership and the appointment  
5 of members; to provide that the committee shall establish guidelines and procedures  
6 controlling such risk assessment and cost-benefit analysis; to provide that the Board of  
7 Natural Resources may use such guidelines in the promulgation of rules and regulations  
8 relating to environmental protection; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 The General Assembly finds that:

12 (1) Public health, environmental, and safety regulations, standards, and policies have led  
13 to dramatic improvements in human health and the environment in Georgia. Some of  
14 those regulations, standards, and policies have been costly to implement and less  
15 effective than they could have been. Regulatory activities should be based upon a  
16 realistic consideration of risk and on an adequate consideration of costs and potential  
17 benefits;

18 (2) Environmental and public health problems are becoming increasingly complex and  
19 difficult to discern, and, at the same time, the costs of making further environmental and  
20 public health improvements are also increasing considerably. It is estimated that the  
21 citizens of the United States spend approximately \$300 billion annually in complying  
22 with federal, state, and local environmental protection laws and regulations. We need to  
23 ensure that those dollars are being spent wisely in Georgia. Georgia needs new  
24 approaches, based on the best scientific, technical, and economic information, to achieve  
25 further improvements;

1 (3) Public health, safety, and environmental regulations, standards, and polices adopted  
 2 by Georgia should be based upon the best scientific information available and should  
 3 achieve the greatest overall reduction in risk to public health and the environment in the  
 4 most cost-effective and flexible manner possible;

5 (4) The citizens have a right to be fully informed about the costs, benefits, or any adverse  
 6 effects on the economy resulting from state regulations and about the policies that  
 7 underlie regulatory decisions by agencies of this state, and they have a right to know  
 8 whether Georgia is achieving the goals expressed in those regulations and policies; and

9 (5) The goal of this Act is to provide the same or greater environmental, public health,  
 10 and safety protection to the citizens of Georgia but to do it in a manner that is more  
 11 effective and efficient.

## 12 SECTION 2.

13 Chapter 1 of Title 12 of the Official Code of Georgia Annotated, relating to general  
 14 provisions relative to conservation and natural resources, is amended by designating the  
 15 existing provisions of such chapter as "Article 1" and by inserting at the end thereof a new  
 16 article to read as follows:

### 17 "ARTICLE 2

18 12-1-20.

19 As used in this article, the term:

20 (1) 'Board' means the Board of Natural Resources.

21 (2) 'Commissioner' means the commissioner of natural resources.

22 (3) 'Committee' means the Advisory Committee on Risk Assessment and Cost-Benefit  
 23 Analysis created by this article.

24 (4) 'Department' means the Department of Natural Resources.

25 (5) 'Division' means the Environmental Protection Division of the Department of Natural  
 26 Resources.

27 (6) 'Environmental rule or regulation' means a rule or regulation promulgated by the  
 28 board to enforce or implement an Act of the General Assembly relating to environmental  
 29 protection.

30 12-1-21.

31 There is created within the department the Advisory Committee on Risk Assessment and  
 32 Cost-Benefit Analysis. The committee shall consist of 12 members appointed as follows:

33 (1) Four members appointed by the Speaker of the House of Representatives as follows:

34 (A) One person with expertise in cost-benefit analysis;

- 1 (B) One person representing county government;
- 2 (C) One representative from a public health advocacy organization; and
- 3 (D) One representative from industry;
- 4 (2) Four members appointed by the President of the Senate as follows:
- 5 (A) One person representing municipal government;
- 6 (B) One person with expertise in risk assessment;
- 7 (C) One representative of an environmental organization; and
- 8 (D) One representative from agriculture; and
- 9 (3) Four members appointed by the Governor as follows:
- 10 (A) One person with expertise in cost-benefit analysis;
- 11 (B) One person with expertise in risk assessment;
- 12 (C) One representative from the division; and
- 13 (D) One representative from industry.

14 12-1-22.

15 The committee shall prepare guidelines for use by the board, the department, and the  
16 division in conducting risk assessments and cost-benefit analyses. At a minimum, such  
17 guidelines shall include:

- 18 (1) Procedures and practices for conducting risk assessments and cost-benefit analyses  
19 to ensure that such assessments and analyses are conducted in accordance with the best  
20 accepted professional standards and methods of scientific, technical, and economic  
21 analyses;
- 22 (2) Models and assumptions to be used, including a discussion of their plausibility, and  
23 criteria for when they should be used;
- 24 (3) Criteria for conducting uncertainty analyses;
- 25 (4) Criteria for reporting the results of risk assessments and cost-benefit analyses in a  
26 way that is reasonably understandable to the public, clearly conveys information about  
27 uncertainty and variability, and adequately reveals the science, economic information,  
28 and policy judgments, if any, embodied in these assessments and analyses;
- 29 (5) Criteria for the appropriate use of peer review to help improve the quality of those  
30 assessments and analyses; and
- 31 (6) Criteria for cost-benefit analyses that include consideration of all costs and benefits,  
32 including avoidance costs, delayed costs, costs of loss of environmental resources, and  
33 benefits to environmental resources including, but not limited to, fish, habitat, and  
34 wetlands.

1 12-1-23.

2 (a) Not later than June 30, 2003, the committee shall submit proposed guidelines, along  
3 with a summary of the guidelines, to the Governor, the Speaker of the House of  
4 Representatives, the President of the Senate, the board, and the commissioner of natural  
5 resources and shall concurrently make the recommended guidelines available to the public.

6 (b) Before establishing the final guidelines, the committee shall conduct at least three  
7 public hearings on the recommended guidelines and may submit the proposed guidelines  
8 to independent and external experts for review. The committee shall hold at least one such  
9 public hearing in each portion of the state: south, central, and north Georgia. Not later  
10 than December 31, 2003, the committee shall develop and publish final guidelines.

11 (c) The committee shall cease to exist on the date of publication of the final guidelines in  
12 accordance with this Code section.

13 (d) Following the publication of the committee's guidelines, the board may use such  
14 guidelines in promulgating environmental rules and regulations.

15 (e) Any person who conducts an independent risk assessment or cost-benefit analysis of  
16 a proposed environmental rule or regulation may submit such assessment or analysis to the  
17 board for consideration."

18 **SECTION 3.**

19 All laws and parts of laws in conflict with this Act are repealed.