

Regulatory Flexibility Analysis For Small Businesses and Local Governments
For
Hudson River – Black River Regulating District
Permit System at Great Sacandaga Lake

Title 6, Part 606 of the Official Compilation of Codes, Rules and Regulations of
the State of New York

October 11, 2007

Pursuant to SAPA §202-b(3)(a)(ii), the Hudson River Black River
Regulating District (the “District”) is seeking an exemption from the preparation of
a Regulatory Flexibility Analysis for Small Businesses and Local Governments
(RFASB/LG)) due to the fact that the Proposed Rules will not impose adverse
economic impacts or recordkeeping compliance requirements on small
businesses or local governments. Pursuant to the requirements of SAPA, the
following represents the statement of findings and the reasons upon which the
finding was made that the Rules would impose no adverse economic impacts.

Small Businesses

The affected parties will include both commercial and non-commercial
parties. The majority of the affected parties will include non-commercial parties.
The commercial parties will primarily include marinas and restaurants located on
and benefiting from the Great Sacandaga Lake. These commercial parties
obtain Access Permits to allow for legal access to the Great Sacandaga Lake by
their customers and for the operation of marinas and other water-dependent
commercial operations.

No additional paperwork beyond what is already generally required will be necessary for compliance with the Proposed Rules. The Proposed Rules are not expected to result in an increased need for small businesses to hire professional consultants for compliance.

As stated in the RIS, one reason for the Proposed Rules was to develop a cost methodology to ensure the Permit System will pay for itself. The regulated parties do not pay the costs of reservoir operations such as erosion control, shoreline stabilization; and dam operations, maintenance, and repairs. Therefore, as part of the analysis of the existing Rules, the cost of administering the Permit System and enforcing the Rules is being recorded and will continue until 2009. This cost analysis is critical to determine the “true” costs of the Permit System so that current and future access permit holders will be charged fees that will cover the costs of administering the Permit System and enforcing the Rules. The analysis of the Permit System costs will not be fully completed until 2009.

The Proposed Rules will not require small businesses to purchase or lease new computer equipment, hardware or software. The Proposed Rules will not require small business to prepare any additional reports or keep additional records. The Proposed Rules will set new and renewal Access Permit fees which will be based upon the type of permit and the width of the access permit area in question.

Local Government Mandates

There will be no costs to local governments for the implementation and continuation of the Proposed Rules due to the fact that local governments will continue to be exempt from the need to pay fees for the utilization of access permit areas. In addition, the District will be solely responsible for administering and enforcing the Rules, with the municipalities having no responsibility for administration or enforcement. It is important to note that the District pays approximately \$2.3 million in property taxes to the municipalities and other taxing jurisdictions around Great Sacandaga Lake.

This rule making will not impose any program, service, duty or responsibility upon counties, cities, towns, villages, school districts, fire districts or other special districts.