

destruction or removal efficiency of the add-on control device, and the monitored operating parameters. In addition, records must be kept of each calculation of the affected sourcewide emissions for each monthly compliance period and all data, calculations, test results, and other supporting information used to determine this value.

The monitoring, recordkeeping, and reporting burden in the 5th year after the effective date of the promulgated rule is estimated to be approximately 159,000 labor hours at a cost of approximately \$10 million for existing sources. We estimate that no cost will be incurred by new sources (other than the labor costs associated with initially reading the rule) because we anticipate that all new sources will reduce their potential HAP emissions to less than the major source threshold. Thus, as area sources, these new sources will not be subject to the rule.

Although we estimated no cost will be incurred by new sources, they may incur some level of cost to achieve area source status. Typically these costs would be associated with the differential in cost between conventional liquid coatings and the coating technology they use to reduce organic HAP emissions. For example, we have limited data indicating that the cost of powder coatings in terms of dollars per liter coating solids is higher than most liquid coatings. New sources would also incur some costs to initially read the rule to determine whether it applies to them (we estimated this cost to be about \$300 per facility). A cost savings will be realized by new sources because they will not have the recordkeeping, reporting, and monitoring burden as described above for existing sources. While all of these potential costs and savings are difficult to quantify, we believe that in the balance there will be essentially no cost to new facilities.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of

information; and transmit or otherwise disclose the information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR, chapter 15. The OMB control number for the information collection requirements in this rule will be listed in an amendment to 40 CFR part 9 in a subsequent **Federal Register** document after OMB approves the ICR.

C. Regulatory Flexibility Act (RFA)

The EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with the final rule. The EPA has also determined that the rule will not have a significant economic impact on a substantial number of small entities. For purposes of assessing the impacts of today's rule on small entities, small entity is defined as: (1) A small business ranging from 100 to 1,000 employees, according to Small Business Administration size standards established under the NAICS for the industries affected by today's rule; (2) a small governmental jurisdiction that is a government of a city, county, town, school district or special district with a population of less than 50,000; and (3) a small organization that is any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

After considering the economic impacts of today's final rule on small entities, EPA has concluded that this action will not have a significant economic impact on a substantial number of small entities.

In accordance with the RFA and SBREFA, EPA conducted an assessment of the standards on small businesses within the metal furniture surface coating industry. Based on Small Business Administration size definitions and reported sales and employment data, EPA's survey identified 10 of the 24 companies owning metal furniture surface coating facilities as small businesses. Although small businesses represent almost 42 percent of the companies within the source category, they are expected to incur 12 percent of the total industry compliance costs. Under the standards, the average annual compliance cost share of sales for small businesses is 0.18 percent, with two of the ten small businesses not expected to incur any additional costs because they are permitted as synthetic minor HAP emission sources. In addition, small

businesses in this industry typically have 5 percent profit margins. For more information, consult the docket for this project.

Although the final rule will not have a significant economic impact on a substantial number of small entities, EPA nonetheless has tried to reduce the impact of this rule on small entities. We solicited input from small entities during the data-gathering phase of the proposed rulemaking.

We have included compliance options in the rule which give small entities flexibility in choosing the most cost effective and least burdensome alternative for their operation. For example, a facility could purchase and use low-HAP coatings (*i.e.*, pollution prevention) that meet the standards instead of using add-on capture and control systems. This method of compliance can be demonstrated with minimum burden by using purchase and usage records. No testing of materials would be required, as the facility owner could show that their coatings meet the emission limits by providing formulation data supplied by the manufacturer.

D. Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures to State, local, and tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any 1 year. Before promulgating an EPA rule for which a written statement is needed, section 205 of the UMRA generally requires EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are inconsistent with applicable law. Moreover, section 205 allows EPA to adopt an alternative other than the least costly, most cost-effective, or least burdensome alternative if the Administrator publishes with the final rule an explanation why that alternative was not adopted. Before EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including tribal