Memorandum

TO: All Regulatory Staff
FROM: Michael P. Halpin, Assistant Deputy Secretary, Regulatory Programs
DATE: May 3, 2017
SUBJECT: Guidelines for Deputy Secretary Approval of Economic Benefit

Recently, I’ve become aware that the application of economic benefit as described under DEP Directive 923, has (in some cases) led to outcomes contrary to its intention. Specifically, because the application of an economic benefit for non-compliance requires Deputy Secretary approval, some were rationalizing zero cost as a means to avoid an extra approval step.

The guidance herein is therefore intended to provide clarification for when it is necessary to seek Deputy Secretary approval for the application of economic benefit.

Since in all cases, a penalty established above $10,000 requires Deputy Secretary approval, this guidance only applies to the application of economic benefit for penalties which total an amount equal to or less than $10,000.

1) For those economic benefits where ONLY a published permit fee has been applied, Deputy Secretary approval is not required;

2) For those cases where economic benefit is assessed for missed sampling, specifically the cost of sampling saved, Deputy Secretary approval is not required;

3) For those economic benefits other than a published permit fee or sampling costs, which total no more than $1000, Deputy Secretary approval is not required.

Should you have any questions about this guidance, feel free to discuss with your Assistant or Deputy Director.