

## **EXPLANATORY NOTE**

### **Contaminated Land Management Regulation 2013**

#### **Proposal and relevant history**

The proposed Regulation would replace the Contaminated Land Management Regulation 2008, which is due to be repealed on 1 September 2013 under the Government's staged repeal program. The proposed Regulation retains the main elements of the 2008 Regulation but includes amendments to:

- allow the Environment Protection Authority (EPA) to more fully recoup the costs involved in the administration of management orders and voluntary management proposals under the *Contaminated Land Management Act 1997* ('CLM Act') by increasing the rate of the EPA's administrative costs
- clarify that, in accordance with sections 34(a), (b) and (c) of the CLM Act, the EPA's recovery of administrative costs apply to both management orders and voluntary management proposals
- adjust the administrative cost rate, and site auditor application fee and accreditation fee in line with inflationary changes to public sector wages.

#### **Relevant Government policy and any departure from policy**

The proposed Regulation is consistent with the Government's broader policy to regulate and manage significantly contaminated land in order to reduce the risk posed to human health and the environment. The proposed Regulation is also consistent with the Government's *NSW 2021 Goal 22: Protect our natural environment* and the EPA's *Strategic Plan 2012-2015 Key Performance Indicator* to increase the number of contaminated sites being actively regulated and remediated.

#### **Other administrations affected by the proposal and consultation**

No other administrations are affected by the proposal. A regulatory impact statement and the draft Regulation were placed on public exhibition on the EPA and OEHL websites and notices were placed in the *Government Gazette*, *The Sydney Morning Herald* and the *Daily Telegraph* advising of the publication. Notification was also sent to all site auditors, professional associations and relevant government agencies.

#### **Anticipated impacts**

The proposed Regulation will result in site auditors contributing a greater proportion of the cost of administering the site auditor scheme. In addition, persons responsible for contamination will contribute a greater amount towards the cost of preparing and monitoring management orders and assessing voluntary management proposals.

NSW taxpayers currently contribute a large proportion of the cost of maintaining the contaminated land management framework. The proposed Regulation will reduce the proportion that the community contributes, while increasing the proportion that responsible persons pay to rectify land contamination and site auditors pay to maintain accreditation. That is, the proposed Regulation will result in slightly greater financial costs to the person responsible for contamination and site auditors. This adjustment will thereby decrease the amount by which the contaminated land management framework is subsidised by the Government.