

ARKANSAS DEPARTMENT OF ENERGY AND ENVIRONMENT

Division of Environmental Quality · Division of Energy and Mineral Resources

TO: The Honorable Sarah Huckabee Sanders, Governor of Arkansas
FROM: Shane E. Khoury, Secretary, Department of Energy and Environment
DATE: August 14, 2026
SUBJECT: Improvement Plan Pursuant to Executive Order 26-04

This Improvement Plan is submitted pursuant to Executive Order 26-04, which requires each covered agency to submit a written Improvement Plan to the Governor within 180 days of the Order. It rests on the Department's completed 120-day comprehensive review, which examined **112 permit, license, certification, and registration programs** — 70 in the Division of Environmental Quality (Air Quality, Water Quality, Land Resources) and 42 in the Division of Energy and Mineral Resources (LP Gas Board, Oil and Gas Commission, Mining).

A primary finding is that delay is caused by procedural requirements in addition to technical review: newspaper-only public notice, sequential rather than parallel review, open-ended deficiency loops, and multi-level review of standardized submittals under general permits. A second finding is that fee recovery in several programs has not kept pace with the cost of administering them, which limits review capacity and therefore lengthens turnaround time.

Part I. Specific Process Improvements — ¶ (2)(a)

Status	Improvement	Authority basis	Anticipated Timing
Complete	Two-way deficiency clocks: one consolidated agency deficiency notice within a set window; applicant responds within a set window or the application administratively closes, with easy reactivation	Administrative	Implemented July 1, 2026
Complete	Reduced unnecessary DEQ levels of reviewers for general-permit Notices of Coverage, which had required senior-management review under master general permits	General permit authority	Implemented August 2026
Complete	Office of Land Resources reorganized geologists to align with the Solid Waste permitting team, structured into individual permits, general permits and reporting, and special projects	Administrative	Implemented
Complete	Permit-flexibility quick-reference guide published and pre-application meetings increased in frequency	Administrative	Implemented
In progress	DEQ–ADH memorandum of agreement: concurrent review, response deadline, deemed-no-objection default, one shared application package	Administrative	Implementation began August 1, 2026; full implementation October 2026
In progress	Used Tire Transporter licensing and POTW pretreatment reports migrated to SEEK	Administrative / IT	October 2026
In progress	Landfill applications migrated to SEEK so engineer and geologist reviews run in parallel rather than sequentially (the current ePortal platform does not support parallel review paths)	Administrative / IT	November 2026
In progress	Risk-based tiered general permit review expanded — stormwater tier criteria re-evaluated to further streamline smaller and less sensitive sites; tiered review identified for certain Air Quality permits	Administrative	December 2026
In progress	Integration of the Liquefied Petroleum Gas Board into the SEEK platform	Administrative / IT	March 2027
In progress	Rework 8 CAR pt. 81 — Hazardous Waste (Rule 23) to remove unnecessary repetition of federal code and provide clarity for the regulated community	Rulemaking	December 2027

Status	Improvement	Authority basis	Anticipated Timing
In progress	Internal live permitting and licensing turnaround dashboard developed; publication and enhancement remain	Administrative / IT	Funding dependent
Planned	Solid waste minor-modification fast-track letter approval for low-risk requests, modeled on the DEQ - Air Quality's Title V minor-modification letters (11-day average)	Administrative / Rulemaking	Letter approval December 2026; rulemaking through September 2027
Planned	Digitize SMCRA coal multi-agency notifications through a standing electronic service list and consolidate quarry notices	Rulemaking	Electronic service list 2026; rulemaking through 2027
Planned	Recurring annual and semi-annual permit reports digitized	Administrative / IT	2027
Planned	Hazardous waste generator annual report transmitted from SEEK directly to EPA's RCRAInfo, eliminating duplicate re-keying	Administrative / IT	2027
Planned	Simplification of permitting for quartz mining on federal lands; remove burdensome certified mailing requirements on quarry mining	Legislative	2027 Regular Session
Planned	Elimination of DEQ's Clandestine Lab Program; the program no longer serves its original intent, adequate regulation is held by ADH, and repeal eliminates an occupational license that is no longer necessary	Legislative	2027 Regular Session
Planned	Certain Air Quality minor modifications and de minimis requests may proceed while under review at applicant risk; Air Quality interjects only on concern or applicant request	Rulemaking	Rulemaking through September 2027
Planned	Align permit fee structure to actual program costs; some modifications are already statutorily authorized and only require additional rulemaking; some modifications will require both statutory and rule amendments.	Rulemaking and Legislative (dependent upon current statutory authority)	Cost-of-service analysis ongoing; rulemaking for some modifications through December 2027; 2027 Regular Session for modifications that are not currently statutorily authorized; rulemaking through 2028 for some modifications that are not currently statutorily authorized.
Planned	Public notice through online publication	Legislative and Rulemaking	2027 Regular Session; rulemaking through 2028
Planned	Voluntary, applicant-requested expedited permit processing with surcharge	Legislative and Rulemaking	2027 Regular Session; rulemaking through 2028
Planned	Open-cut mining life-of-site permits and minor-modification fast track ¹	Legislative and Rulemaking	2027 Regular Session; rulemaking through 2028
Planned	Liquefied Petroleum Gas Class 1 Director issuance with after-the-fact Board ratification	Legislative	2027 or 2029 Regular Session ¹
Planned	Consolidating Liquefied Petroleum Gas permit classes and authorizing multi-year terms	Legislative and Rulemaking	2027 or 2029 Regular Session ¹ ; rulemaking through June 2028 or June 2030

¹ These proposals are not included in E&E's 2027 Legislative Packet previously submitted. This Plan states alternative timelines depending on whether E&E is able to supplement the 2027 Legislative Packet.

Status	Improvement	Authority basis	Anticipated Timing
Planned	Repeal Rule 5 / 8 CAR pt. 24 (Liquid Animal Waste Management Systems); regulation of these permits moved to the Department of Agriculture and E&E rule is now redundant	Rulemaking	Rulemaking through June 2028
Planned	Repeal 26 CAR pt. 270 — Waste Reduction, Reuse, or Recycling Tax Credits (Rule 16); the rule only restates statutory language without adding operative regulatory content	Rulemaking	Rulemaking through June 2028
Planned	8 CAR pt. 61 — Solid Waste Fees, Funds, and Grants (Rule 11): remove repetition that does not add operative regulatory content, retaining substantive provisions and cross-references	Rulemaking	Rulemaking through June 2028
Planned	AI-assisted completeness screening at intake	Administrative / IT	Funding dependent
Planned	AI-assisted public comment sorting and summarization	Administrative / IT	Funding dependent
Planned	Integrate the Secretary of State's business-entity data directly into SEEK so that legal name, charter status, good standing, registered agent, and affiliated-entity relationships are retrieved and matched automatically at intake, with AI-assisted matching to resolve near-miss variations	Administrative / IT	Funding dependent

Secretary of State entity verification — automated applicant-name matching

E&E currently verifies all regulated entities or permit holder names by manually searching the Secretary of State's business-entity records, one applicant at a time. E&E would like to integrate the Secretary of State's business-entity data directly into SEEK so that legal name, charter status, good standing, registered agent, and affiliated-entity relationships are retrieved and matched automatically at intake, with AI-assisted matching to resolve near-miss variations (punctuation, suffixes such as LLC or Inc., d/b/a names, and predecessor names). This integration is funding-dependent, as Part I records.

Part II. Legislative Changes Needed — ¶ (2)(b)

Recommendation	Basis and purpose	Session
Authorize electronic public notice in lieu of paid newspaper publication	Arkansas laws and rules require newspaper publication of both the application notice and the draft-decision notice for most DEQ permits, and the statute places publication cost on the applicant. Additionally, state law imposes newspaper publication requirements for many types of notices, rulemakings, hearings, and other activities as part of the regulations E&E oversees. These publication requirements are often time consuming, costly, and often do not deliver notice to the general public in a format that is easily accessible. Recommend authorizing a searchable statewide electronic notice register, retaining newspaper only where federally required.	2027 Regular Session
Authorize a voluntary expedited-review track funded by a cost-based surcharge	An expedited surcharge dedicated to overtime or contract review capacity converts a capacity constraint into a funded service level. Recommend four safeguards: the fee is cost-based; election does not alter any substantive standard or comment period; standard-track performance is measured and published so it does not degrade; and revenue is dedicated to review capacity.	2027 Regular Session
Targeted fee-cap relief where a statutory cap prevents cost recovery	Some E&E fees rest on statutory authority or are statutorily capped rather than set by rule. Where a statutory limit prevents alignment with cost recovery for reasonable administrative costs necessary to implement the program, a parallel statutory track is required alongside the rule changes.	2027 Regular Session

Recommendation	Basis and purpose	Session
LPGB: consolidate permit classes, authorize multi-year terms, and confirm director issuance of Class 1 permits	Ten LPGB classes with annual renewal churn burden a three-person staff, and classes that already issue same-day still re-permit annually; Class 1 applications wait for the next Board meeting (approximately 30 days). Recommend consolidation into three or four risk-based groups, two-to-three-year terms for permittees with clean compliance history, and clarification that the director may issue Class 1 permits with Board ratification at the next regular meeting, reserving pre-issuance Board action for denials and appeals. These proposals are not included in E&E's 2027 Legislative Packet; the 2029 alternative applies if that Packet cannot be supplemented.	2027 or 2029 Regular Session
Mining: consolidate the duplicate quarry notice and authorize life-of-site open-cut permits	A separate statutory quarry notice-and-meeting track duplicates the open-cut permit's own notice and comment process; open-cut renewals average one month against a two-week goal and major modifications three to four months against a two-month goal. Recommend deeming the open-cut permit notice to satisfy the quarry notice for concurrently permitted sites, and life-of-site permits with five-year administrative review while keeping reclamation bonding current. These proposals are not included in E&E's 2027 Legislative Packet; the 2029 alternative date applies if that Packet cannot be supplemented.	2027 or 2029 Regular Session
Mining: simplify permitting for quarry mining and streamline permitting for quartz mining on federal lands	Quarry mining operations certified mailing requirements that add cost and elapsed time to permitting. Recommend removing those certified mailing requirements. Additionally, recommend language change simplifying the state permitting path for quartz mining on federal lands.	2027 Regular Session
Elimination of DEQ's Clandestine Lab Program	DEQ's Clandestine Lab Program no longer serves the original intent, and adequate regulation is already held by ADH. Eliminating the program also results in the elimination of an occupational license that is no longer beneficial or necessary.	2027 Regular Session

Part III. Rule Changes Needed — ¶ (2)(c)

Rule	Change and purpose	Sequencing
8 CAR pt. 12 — Permit Fee Rules Rule 9	Assess fees sufficient to recover reasonable costs of administering the program. Adjust the Solid Waste and Water permit fee schedules to better align with the reasonable administrative cost of evaluating and acting on applications and of implementing and enforcing permits, supported by the cost-of-service record the statute requires while not exceeding the 3% increase cap required by statute. Adding appropriate fees for voluntary permitting program services used by the regulatory community. Fees are deposited to the DEQ Fee Trust Fund and used to defray the Division's operating costs, so recovery aligned with cost is what funds the reviewer capacity these turnaround targets depend on.	Cost-of-service analysis 2026; rulemaking through Dec. 2027
8 CAR pt. 81 — Hazardous Waste Management Rule 23	Assess fees sufficient to recover reasonable costs of administering the program, on the same cost-of-service basis, for the hazardous waste permit program. Incorporate new federal regulatory scheme into state rule and remove lengthy repetition of the federal rule, incorporating it by reference instead.	Rulemaking through December 2027
8 CAR pt. 61 — Solid Waste Fees, Funds, and Grants Rule 11	Remove lengthy statutory repetition that does not add operative regulatory content, retaining substantive provisions and cross-references. Shortening the rule to what it actually does reduces the compliance-reading burden and eliminates the risk of rule text drifting out of alignment with the statute it copies.	Rulemaking through June 2028
8 CAR pt. 24 — Liquid Animal Waste Management Systems Rule 5	Repeal. Identified for repeal as part of the Department's rule-reduction review; regulation of these permits moved to the Department of Agriculture and E&E rule is now redundant.	Rulemaking through June 2028

Rule	Change and purpose	Sequencing
26 CAR pt. 270 — Waste Reduction, Reuse, or Recycling Tax Credits Rule 16	Repeal. This rule only restates statutory language without adding operative regulatory content.	Rulemaking through June 2028
8 CAR pt. 11 — Administrative Procedures (legacy Regulation 8)	Authorize electronic notice and consolidated notices wherever the federal floor permits, conforming to any enacted legislation.	Rulemaking through 2028
8 CAR pts. 40, 41 — Air	Allow certain minor modifications and de minimis requests to proceed at applicant risk while under formal review.	Rulemaking through 2027, if rulemaking is deemed necessary
8 CAR pt. 60 — Solid Waste	Create a fast-track letter approval for low-risk minor modifications, followed by the formal modification.	Rulemaking through 2027, if rulemaking is deemed necessary
Surface coal mining rules — SMCRA program	Digitize the fifteen-agency notification through a standing electronic service list and remove state-only additions beyond the federal floor, which remains binding. Removing state-only additions is a state-program change likely requiring federal approval — the gating dependency.	Service list 2026; Rulemaking through 2027

Part IV. Timeline for Implementation — ¶ (2)(d)

Dates are planning estimates keyed to E&E's implementation schedule. Statutory items are sequenced to the 2027 Regular Session, which convenes January 11, 2027, with non-emergency acts effective approximately 91 days after an estimated sine die of May 5, 2027. Rule adoption dates depend on the applicable Board or Commission's calendar and necessary review times.

Window	Actions	Milestones
Aug.–Dec. 2026	Publish every processing goal on application pages and in SEEK; complete cost-of-service analyses for the 8 CAR pt. 12 and 81 fee packages; stand up the SMCRA electronic service list; draft the 8 CAR pt. 11 rule package; file the 2027 bills; DEQ–ADH memorandum of agreement executed and implemented; Used Tire Transporter licensing and pretreatment reports in SEEK	Bill pre-filing opens Nov. 15, 2026
Jan.–Aug. 2027	2027 session: e-notice, expedited-fee authority, quarry mining, DEQ Clandestine Lab repeal, LPGB, and mining bills; Commission rulemaking on 8 CAR pt. 11, the fee rules, and the Air and Solid Waste fast-track rules; landfill parallel review live in SEEK; Secretary of State entity matching, publish the turnaround dashboard, and AI-assisted completeness screening built if funded	Session convenes Jan. 11; acts effective on Aug. 4, 2027 (estimated)
Sept. 2027–Jun. 2028	Adopt conforming rules following enactment (LPGB class structure, open-cut mining life-of-site, electronic notice); adopt the Rule 11 repetition-removal package and the Rule 5 and Rule 16 repeals. If the LPGB bills are carried to the 2029 Regular Session, the corresponding LPGB rules move to June 2030.	Rules become effective in mid-2028

Part V. Performance Metrics — ¶ (2)(e)

The baseline for this Plan is E&E's permit, license, certification, and registration inventory, which records the measured average processing time for calendar years 2023, 2024, and 2025 for all programs, together with the stated goal, fee, staffing, number of review levels, external review dependencies, and public notice requirements. The inventory covers 112 programs — 70 in the Division of Environmental Quality and 42 in the Division of Energy and Mineral Resources. The average turnaround time metrics below are computed from that inventory rather than estimated.

A. Average Turnaround Time

Instrument class	Programs		Mean processing time (calendar days)			Median 2025	Meeting stated goal
	Total	Measured	2023	2024	2025		
Division of Environmental Quality							
General permits	26	21	104	112	200	176	3 of 21
Individual permits	21	21	235	247	215	208	7 of 19
Licenses and certifications	22	13	21	18	8	7	9 of 13
Pretreatment program report	1	1	99	33	5	5	no goal
All DEQ instruments	70	56	127	124	157	77	19 of 53
Division of Energy and Mineral Resources							
Permits — LP Gas Board	9	9	12	12	12	17	9 of 9
Permits — Oil and Gas	6	5	6	6	6	4	5 of 5
Permits — Mining	11	8	56	56	57	30	0 of 8
Administrative approvals	16	9	14	13	11	13	9 of 9
All DEMR instruments	42	31	24	22	22	15	23 of 31

Programs recording no applications received, no tracking, or no metric are excluded from that year rather than counted as zero, which is why the measured count differs from the program count and moves year to year.

Mean processing time for DEQ rose about twenty percent across the three years while the median held flat at thirty days, so delay is concentrating in a subset of programs rather than spreading across the portfolio. Goal attainment has stayed near half of measured programs for three consecutive years, which indicates that publishing a goal does not by itself change the outcome. E&E needs the process, rule, and fee changes set out in Parts I through III to meet those goals.

B. Structural metrics

Measure	Baseline (2025 inventory)	Target
Published turnaround goal	59 of 112 programs (DEQ 44 of 70; DEMR 15 of 42)	All programs
Online intake	107 of 112; 2 remain paper; 3 have no application	All programs with an application
Fee recovery against reasonable program cost	Assessed fee does not equal the reasonable cost necessary to administer identified programs	Aligned with reasonable cost
Appeal and remand rate	Baseline to be established. See below.	No increase

The final metric is a deliberate guardrail. Because a final permitting decision must respond to every issue raised in public comment and justify technical requirements on the record, faster processing that yields a thinner record

simply moves delay from permitting to litigation. A rising remand rate will be treated as a signal to slow the pace of process change, not to continue it.

Part VI. Additional Directives — ¶ (3)(a) through (d)

Directive	Response	Status
(3)(a) Public timelines	E&E will publish the processing goal on every application page and in SEEK. If funding allows, E&E will publish timelines that distinguish the Department's internal target and the applicant-controlled intervals. A timeline that hid those dependencies would misstate what an applicant can expect.	Goals published by December 2026; elapsed-time display funding-dependent
(3)(b) One-stop portal	SEEK is the consolidating application platform for DEQ and LPGB. Permittees and Licensees can access all required information and forms through one system.	Rolling through 2027
(3)(c) Concurrent reviews	The DEQ–ADH memorandum of agreement provides concurrent review, a response deadline, one shared application package, and separates review requirements by system type to remove duplication. Landfill engineer and geologist reviews likewise move to parallel paths in SEEK.	Executed August 2026; full implementation October 2026
(3)(d) Status updates and single point of contact	SEEK will show current stage, responsible reviewer, and next expected action, replacing the "on hold" status that today hides both workload and applicant position. Two-way deficiency clocks give each side a dated commitment and expanded pre-application meetings give applicants a named technical contact before filing.	Deficiency clocks completed; status display funding-dependent

Requested Action

E&E requests support in the 2027 Regular Session for the seven legislative recommendations in Part II, with the safeguards described there. Second, E&E will need to obtain funding for the SEEK enhancements identified in this Plan as funding-dependent: elapsed-time display, AI-assisted completeness screening, Secretary of State entity matching, and multi-agency status integration. Without that funding E&E can deliver electronic intake and published goals but the SEEK enhancements identified in this Plan.

E&E will continue to engage the regulated community and industry throughout implementation.