

Memorandum**Date:** September 23, 2004**To** : Mr. Ramon J. Hirsig
Executive Director**From** : 
David J. Gau, Deputy Director
Property and Special Taxes Department**Subject** : *2005 Hazardous Waste Fees
and Occupational Lead Poisoning Prevention Fee*
(October 19, 2004 Administrative Consent Calendar)

Attached is the Excise Taxes and Fees Division's recommendation for the establishment of calendar year 2005 rates for the Hazardous Waste Fees and the Occupational Lead Poisoning Prevention Fee. The applicable statutes requiring the setting of new rates are referenced below:

	Health & Safety <u>Code Section</u>
• Activity Fees	25205.7
• Environmental Fees	25205.6
• Facility Fees	25205.2
• Generator Fees	25205.5
• Disposal Fees	25174.2
• Permit-by-Rule and Conditional Authorization	25205.14
• Occupational Lead Poisoning Prevention Fee	105190

The rates for the fees stated above are adjusted annually based on increases or decreases in the cost of living measured by the Consumer Price Index (CPI). We are proposing to increase these fees by 3.107 percent as measured by the increase in the CPI for California as issued by the Department of Industrial Relations for the period July 1, 2003 to June 30, 2004.

Please place this item on the Board's October 19, 2004 Administrative Consent Calendar for approval.

DJG:cs
Attachments

cc: Ms. Deborah Pellegrini

Approved: 

Ramon J. Hirsig
Executive Director

BOARD APPROVED

At the _____ Board Meeting

Deborah Pellegrini, Chief
Board Proceedings Division

ITEM N5
10-19-04

**PROPOSAL FOR ADJUSTMENT OF RATES FOR THE
HAZARODUS WASTE FEES AND OCCUPATIONAL LEAD POISONING
PREVENTION FEE**

RATE ADJUSTMENTS

Health and Safety Code Sections 25205.7, 25174.2, 25205.6, 25205.2, 25205.5, 25205.14, and 105190 require the Board to adjust fee rates annually to reflect increases or decreases in the cost of living during the prior fiscal year, as measured by the Consumer Price Index issued by the Department of Industrial Relations for the State of California.

DESCRIPTION OF FEES PROPOSED TO BE ADJUSTED

ACTIVITY FEES

Section 25205.7 of the Health and Safety Code imposes a series of activity fees on applicants for new hazardous waste facility permits and modification to existing hazardous waste facility permits. Currently, these permit activity fees are collected by the Board.

ENVIRONMENTAL FEES

Section 25205.6 of the Health and Safety Code imposes a fee on corporations who; 1) employ 50 or more persons who each work more than 500 hours in California during the calendar year and 2) belong to an industrial group that has been identified by the Department of Toxic Substances Control as one that uses, generates, stores, or conducts activities related to hazardous material, as defined in Section 25501, including, but not limited to, hazardous waste.

FACILITY FEES

Section 25205.2 of the Health and Safety Code imposes a fee on each operator of a facility for each reporting period (calendar year), or portion thereof.

GENERATOR FEES

Section 25205.5 of the Health and Safety Code imposes a fee on each generator of hazardous waste for each calendar year, or portion thereof.

DISPOSAL FEES

Section 25174.1, of the Health and Safety Code, imposes a fee on each person who disposes of hazardous waste in the state. Each operator of an authorized hazardous waste facility, at which hazardous wastes are disposed, shall collect a fee from persons submitting hazardous waste for disposal and shall transmit the fees to the State Board of Equalization. Section 25174.2 provides the base rate and procedure for adjustment.

PERMIT BY RULE

Section 25205.14 of the Health and Safety Code imposes a fee on generators of hazardous waste operating pursuant to a permit-by-rule or under a grant of conditional authorization. The reporting period shall begin January 1 of each year. On or before January 31 of each year, the department shall notify the Board of all known generators operating pursuant to a permit-by-rule who are not exempted from this fee pursuant to Section 25404.5.

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HAZARODUS WASTE FEES AND OCCUPATIONAL LEAD POISONING
PREVENTION FEE**

(cont.)

OCCUPATIONAL LEAD POISONING PREVENTION FEE

Section 105190 of the Health and Safety Code imposes a fee on employers in industries with a four-digit Standard Industrial Classification (SIC) identified to the Board by the Department of Health Services. The rate paid by an employer is determined by the number of employees and the type of category.

COMPUTATION

The computations of the annual fee rates are based on increases or decreases in the cost of living during the prior fiscal year, which was July 1, 2003 to June 30, 2004. The factors used are based on the CPI for California. The CPI is a measure of the average change in prices over time in a fixed market basket of goods and services. The CPI measures price change from a designated reference date, 1982-84, which equals 100.0.

CPI @ June 30, 2004	195.8
CPI @ June 30, 2003	189.9
Increase in CPI	5.9
Percentage Increase	3.107%

STAFF RECOMMENDATION

It is recommended that the 2005 rates for the Hazardous Waste Fees and the Occupational Lead Poisoning Prevention Fee be established according to the attached schedules.

Submitted by: Excise Taxes and Fees Division

**Proposed Adjustments
Activity Fees (\$25205.7)
For the Period 01/01/2005 to 12/31/2005**

ACTIVITY FEES:	2004 RATES	PROPOSED INCREASE	PROPOSED 2005 RATES
Land Disposal Facility Permit Application Fee			
Large Facility:	\$462,741	\$14,377	\$477,118
Medium Facility:	\$269,426	\$8,371	\$277,797
Small Facility:	\$126,341	\$3,925	\$130,266
Incineration Facility Requiring a Permit			
Large Facility:	\$277,036	\$8,608	\$285,644
Medium Facility:	\$161,351	\$5,013	\$166,364
Small Facility:	\$76,107	\$2,365	\$78,472
Storage or Treatment Facility Permit Application Fee			
Large Facility:	\$91,331	\$2,838	\$94,169
Medium Facility:	\$47,188	\$1,466	\$48,654
Small Facility:	\$25,878	\$804	\$26,682
Standardized Permit Facility Application Fee			
Series A:	\$38,869	\$1,208	\$40,077
Series B:	\$24,266	\$754	\$25,020
Series C:	\$6,466	\$201	\$6,667
Transportable Treatment Unit Permit Application Fee			
Large Unit:	\$91,331	\$2,838	\$94,169
Medium Unit:	\$45,664	\$1,419	\$47,083
Small Unit:	\$19,790	\$615	\$20,405
Facility Postclosure Permit Application Fee			
Large Facility:	\$45,664	\$1,419	\$47,083
Medium Facility:	\$27,400	\$851	\$28,251
Small Facility:	\$12,175	\$378	\$12,553

**Proposed Adjustments
Environmental Fee (\$25205.6)
For the Period 01/01/2005 to 12/31/2005**

NUMBER OF EMPLOYEES:	2004 RATES	PROPOSED INCREASE	PROPOSED 2005 RATES
50 to 74	\$236	\$7	\$243
75 to 99	\$416	\$13	\$429
100 to 249	\$830	\$26	\$856
250 to 499	\$1,779	\$55	\$1,834
500 to 999	\$3,322	\$103	\$3,425
1,000 or more	\$11,275	\$350	\$11,625

**Proposed Adjustments
 Facility Fee, Generator Fee, Disposal Fee,
 Permit By Rule, and Conditional Authorization
 For the Periods 01/01/2005 to 12/31/2005**

HAZARDOUS WASTE FEE:	2004 RATES	PROPOSED INCREASE	PROPOSED 2005 RATES
FACILITY FEE BASE RATE (§25205.2)	\$23,963	\$745	\$24,708
GENERATOR FEE BASE RATE (§25205.5)	\$3,332	\$104	\$3,436
DISPOSAL FEE BASE RATE (§25174.2)*	\$103.38	\$3.21	\$106.59
PERMIT BY RULE (§25205.14)	\$1,162	\$36	\$1,198
CONDITIONAL AUTHORIZATION (§25205.14)	\$1,162	\$36	\$1,198

** Please note, in contrast to the other base rates, which are rounded to the nearest dollar, the Disposal Fee base rate is rounded to the nearest cent. This is a result of the Disposal Fee being computed for each ton of hazardous waste.*

Proposed Adjustments
Occupational Lead Poisoning Prevention Fee (\$105190)
For the Period 01/01/2005 to 12/31/2005

NUMBER OF EMPLOYEES:	2004 RATES	PROPOSED INCREASE	PROPOSED 2005 RATES
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Category A:

Number of Employees:

10 to 99	\$243	\$8	\$251
100 to 499	\$488	\$15	\$503
500 or more	\$1,218	\$38	\$1,256

Category B:

Number of Employees:

10 to 99	\$349	\$11	\$360
100 to 499	\$976	\$30	\$1,006
500 or more	\$2,790	\$87	\$2,877