

# Memorandum

Date : September 6, 2006

To : Mr. Ramon J. Hirsig  
Executive Director

From : David J. Gau, Deputy Director  
Property and Special Taxes Department

Subject : *2007 Hazardous Waste Fees  
and Occupational Lead Poisoning Prevention Fee*  
(September 27<sup>th</sup> Administrative Consent Calendar)

Attached is the Excise Taxes and Fees Division's recommendation for the establishment of calendar year 2007 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:

	<b>Health &amp; Safety Code Section</b>
• 2007 Activity Fees	25205.7
• 2007 Environmental Fees	25205.6
• 2007 Facility Fees	25205.2
• 2007 Generator Fees	25205.5
• 2007 Disposal Fees	25174.2
• 2007 Permit-by-Rule and Conditional Authorization	25205.14
• 2007 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 4.769 percent as measured by the increase in the CPI for California as issued by the Department of Industrial Relations for the period July 1, 2005 to June 30, 2006.

Please place this item on the Board's September 27, 2006 Administrative Consent Calendar for approval.

LB:cs  
Attachments

cc: Mr. Gary Evans  
Ms. Lynn Bartolo

Approved:   
Ramon J. Hirsig  
Executive Director

BOARD APPROVED  
At the \_\_\_\_\_ Board Meeting

\_\_\_\_\_  
Gary Evans, Acting Chief  
Board Proceedings Division

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

**RATE ADJUSTMENTS**

Health and Safety Code Sections 25205.7, 25205.6, 25205.2, 25205.5, 25174.2, 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 and other organizations as defined, 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.

**PROPOSAL FOR ADJUSTMENT OF RATES FOR THE  
HAZARDOUS 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, 2005 to June 30, 2006. 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, 2006	210.9
CPI @ June 30, 2005	201.3
Increase in CPI	9.6
Percentage Increase	4.769%

**STAFF RECOMMENDATION**

It is recommended that the 2007 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 01/01/2007 to 12/31/2007**

<b>ACTIVITY FEES:</b>	<b>2006 RATES</b>	<b>PROPOSED INCREASE</b>	<b>PROPOSED 2007 RATES</b>
<b>Land Disposal Facility Permit Application Fee</b>			
Large Facility:	\$490,520	\$23,393	\$513,913
Medium Facility:	\$285,600	\$13,620	\$299,220
Small Facility:	\$133,925	\$6,387	\$140,312
<b>Incineration Facility Requiring a Permit</b>			
Large Facility:	\$293,668	\$14,005	\$307,673
Medium Facility:	\$171,037	\$8,157	\$179,194
Small Facility:	\$80,676	\$3,847	\$84,523
<b>Storage or Treatment Facility Permit Application Fee</b>			
Large Facility:	\$96,814	\$4,617	\$101,431
Medium Facility:	\$50,021	\$2,386	\$52,407
Small Facility:	\$27,431	\$1,308	\$28,739
<b>Standardized Permit Facility Application Fee</b>			
Series A:	\$41,203	\$1,965	\$43,168
Series B:	\$25,723	\$1,227	\$26,950
Series C:	\$6,854	\$327	\$7,181
<b>Transportable Treatment Unit Permit Application Fee</b>			
Large Unit:	\$96,814	\$4,617	\$101,431
Medium Unit:	\$48,406	\$2,308	\$50,714
Small Unit:	\$20,978	\$1,000	\$21,978
<b>Facility Postclosure Permit Application Fee</b>			
Large Facility:	\$48,406	\$2,308	\$50,714
Medium Facility:	\$29,045	\$1,385	\$30,430
Small Facility:	\$12,906	\$615	\$13,521

**Proposed Adjustments  
Environmental Fee (\$25205.6)  
For the Period 01/01/2007 to 12/31/2007**

<b>NUMBER OF EMPLOYEES:</b>	<b>PROPOSED</b>		
	<b>2006 RATES</b>	<b>PROPOSED INCREASE</b>	<b>2007 RATES</b>
50 to 74	\$250	\$12	\$262
75 to 99	\$441	\$21	\$462
100 to 249	\$880	\$42	\$922
250 to 499	\$1,886	\$90	\$1,976
500 to 999	\$3,521	\$168	\$3,689
1,000 or more	\$11,952	\$570	\$12,522

**Proposed Adjustments  
 Facility Fee, Generator Fee, Disposal Fee,  
 Permit By Rule, and Conditional Authorization  
 For the Periods 01/01/2007 to 12/31/2007**

<b>HAZARDOUS WASTE FEE:</b>	<b>2006 RATES</b>	<b>PROPOSED INCREASE</b>	<b>PROPOSED 2007 RATES</b>
FACILITY FEE BASE RATE (§25205.2)	\$25,402	\$1,211	\$26,613
GENERATOR FEE BASE RATE (§25205.5)	\$3,533	\$168	\$3,701
DISPOSAL FEE BASE RATE (§25174.2)*	\$109.58	\$5.23	\$114.81
PERMIT BY RULE (§25205.14)	\$1,232	\$59	\$1,291
CONDITIONAL AUTHORIZATION (§25205.14)	\$1,232	\$59	\$1,291

*\* 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 01/01/2007 to 12/31/2007**

<b>NUMBER OF EMPLOYEES:</b>	<b>2006 RATES</b>	<b>PROPOSED INCREASE</b>	<b>PROPOSED 2007 RATES</b>
Category A:			
Number of Employees:			
10 to 99	\$258	\$12	\$270
100 to 499	\$517	\$25	\$542
500 or more	\$1,291	\$62	\$1,353
Category B:			
Number of Employees:			
10 to 99	\$370	\$18	\$388
100 to 499	\$1,034	\$49	\$1,083
500 or more	\$2,958	\$141	\$3,099