

# HB2705

## Fee Bill – Solid and Hazardous Waste Programs

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# Outline

- What is HB2705
- Why now?
- Program functions and needs/bill overview
- Proposed fees
- Next steps
- Other items of interest

# What does HB2705 accomplish?

- Provides enhanced fee authority for Solid and Hazardous Waste Programs
- Requires rules to implement
- Will result in self-sufficient programs

## Why Now?

- \$5.7 million in general fund appropriation eliminated in FY11
- Existing revenues don't support programs
- Existing emergency fee authority expires on June 30, 2011

# HW Program Functions

- Implements state and federal hazardous waste laws
- Regulates over 1500 facilities: metal platers, chemical manufacturers, laboratories, explosive/munition manufacturers, hazardous waste TSDs and military installations
- Issues permits, conducts inspections and compliance activities, provides compliance assistance, addresses customer complaints, and oversees remediation at contaminated sites

# HW Program Funding Needs

- Current fee structure is grossly insufficient
- Previously utilized General Fund and Air Quality Fee Fund monies
- In FY2010, HWMF received \$357K from plan review and generation fees
- Program needs an additional \$1.4M to be self-sufficient
- Required program funding is based on current staffing levels

# SW Program Functions

- Implements state and federal laws
- Regulates over 620 facilities and activities: solid waste landfills, biohazardous medical waste transporters, waste tire collection sites, used oil marketers, processors, transporters, and burners, special waste generators, transporters and receiving facilities, septic haulers
- Reviews and approves landfill design/operation plans, issues licenses and permits, conducts inspections and compliance activities, provides compliance assistance, addresses customer complaints and advocates solid waste reduction, reuse and recycling.

# SW Program Funding Needs

- Current fee structure is grossly insufficient
- Previously utilized General Fund monies
- In FY2010, SWFF received \$607K from landfill registration, special waste, waste tire and plan review fees
- Program needs an additional \$1.7M to be self-sufficient
- Program need amount is based on current staffing levels

# Bill Overview

- Removes fee amounts in statute
- Authorizes ADEQ to increase current fees and establish new fees by rule. Authority sunsets on September 30, 2013
- Any proposed fee changes will be submitted to JLBC for review

## Bill Overview

- Requires ADEQ to base fees on specified criteria, including impact on payees
- Requires ADEQ to annually report its revenues and expenditures beginning in 2014
- As session law and retroactive to July 1, 2011, continues ADEQ's authority to charge FY2011 hazardous and solid waste fees through FY2012

# Bill Overview

- HW - Eliminates the 50% pollution prevention discount on hazardous waste generator fees.
- SW - Authorizes ADEQ to establish general permits by rule for solid waste operations
- SW - Removes ADEQ's permanent exemption from rulemaking requirements to establish solid waste plan approval fees
- SW - Authorizes use of Recycling Fund to supplement ADEQ's solid waste control program

## Proposed Fees – Solid Waste

Fee Name	Current Fee in Statute or Rule <sup>1</sup>	Proposed Fee
Special Waste Management Fee A.R.S. 49-855(C); 49-863	\$2/ton maximum of \$20,000 year/generator	\$4/ton maximum of \$40,000 year/generator
Landfill Registration Fee A.R.S. 49-747(C)1-8	\$500 - \$5,000	\$1,000 - \$10,000
SW Facility Plan Review Hourly Rate A.R.S. 49-762.03(F)	\$58.81/hour	\$127/hour
Septage Hauler License A.R.S. 49-104(B)(14)(b)	None	\$250/vehicle
Biohazardous Medical Waste Transporter License A.R.S. 49-761(D)	None	\$127/hour
Waste Tire Site Registration (>500 tires) A.R.S. 44-1303	None	\$500
Waste Tire Site Registration (100-500 tires) A.R.S. 44-1304.01(A)(8)	None	\$250

Because the proposed solid waste fee increases generate only approximately \$600,000 of the \$1.7 million needed in increased fees, ADEQ is seeking to transfer \$1,179,000 from and permanently amend the Recycling Fund to support solid waste program activities.

## Proposed Fees – Hazardous Waste

Fee Name	Current Fee in <sup>1</sup> Statute or Rule	Proposed Fee
HW Permit Review Hourly Rate A.R.S. 49-922(B)(5)	\$95.29/hour	\$138.54/hour
HW Generation Fee A.R.S. 49-931(A)	\$4 - \$40/ton	\$27 - \$270/ton
Elimination of 50% pollution prevention discount on hazardous waste generation fees A.R.S. 49-931(A)(4)	50% discount	0% discount

1 “Current fees” reflect those fees collected prior to the exempt fee authority provided in Laws 2010, Chapter 7, Section 5, and Seventh Special Session. The exempt fees have been collected since July 1, 2010.

## Next Steps

- Signed by Governor April 25th
- Informal stakeholder process: spring/summer 2011
- GRRC process: winter 2011
- Final rule: spring 2012
- Currently proposed effective date of new rules: July 1, 2012

# Questions?

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[as3@azdeq.gov](mailto:as3@azdeq.gov)
- Would you like to be added to our stakeholder contact list? Please contact Sandy Chismark at 602-771-4133 or [chismark.sandy@azdeq.gov](mailto:chismark.sandy@azdeq.gov)

# Other Rules

- HW federal regs adoption by reference
  - 2007-2010 clusters
  - Fall 2012 stakeholder process
- UST Energy Policy Act Operator Training Rules
  - Summer/fall 2011 stakeholder process
  - All operators trained by August 2012