

# **Hazardous Waste Program Fee Stakeholder Meeting**

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January 22, 2015

# Fee Stakeholder Meeting Agenda

- Overview of previous meetings
- Follow up on stakeholder questions
- Cost recovery multiplier
- Example fee options
- Future Meetings

## Recap of Previous Meetings – Nov 18th

- Changes to the Law and New Process for Changing Fee Structure
- Hazardous Waste Program Overview
- Fees to be included in Stakeholder Process
- Financial Overview
- Timeline for Rulemaking

## Recap of Previous Meetings – Dec 18th

- Overview of Previous Meeting
- Other State Fee Structures
- Fee Calculator Demonstrations
- Discussion

# Follow Up Items from Previous Meeting

- Other state fees
- Hazardous Waste Fund detailed information



# Other State Fee Structures

State	CESQG threshold	SQG threshold	SQG Fee	LQG threshold	LQG fee
Missouri	Generate or accumulate less than 220 lbs.	Generate or accumulate 220 lbs. to 2200 lbs.	\$100 annual registration fee	Generate or accumulate more than 220 lbs.	\$100 annual registration
Kansas	Generate less than 55 lbs.	“Kansas generators” - 55 to 220 lbs. (or accumulate 2200 lbs.); SQGs 220 to 2200 lbs.	\$150 annual registration fee for both	Generate more than 2200 lbs.	Monitoring fee of \$300, \$900, \$2800, or \$9000 based on tonnage
Nebraska	Generate less than 220 lbs.	220 lbs. to 2200 lbs.	\$25 annual fee	Generate more than 2200 lbs.	\$250
Illinois	Generate less than 220 lbs.	220 lbs. to 2200 lbs.		Generate more than 2200 lbs.	\$500 annual permit and inspection fee
Iowa	Generate less than 220 lbs.	220 lbs. to 2200 lbs.	\$25 annual facility fee	Generate more than 2200 lbs.	\$250 annual facility fee
Arkansas	Generate less than 220 lbs.	220 lbs. to 2200 lbs.	\$150 annual monitoring inspection fee	Generate more than 2200 lbs.	\$500 or \$1000 depending on tonnage

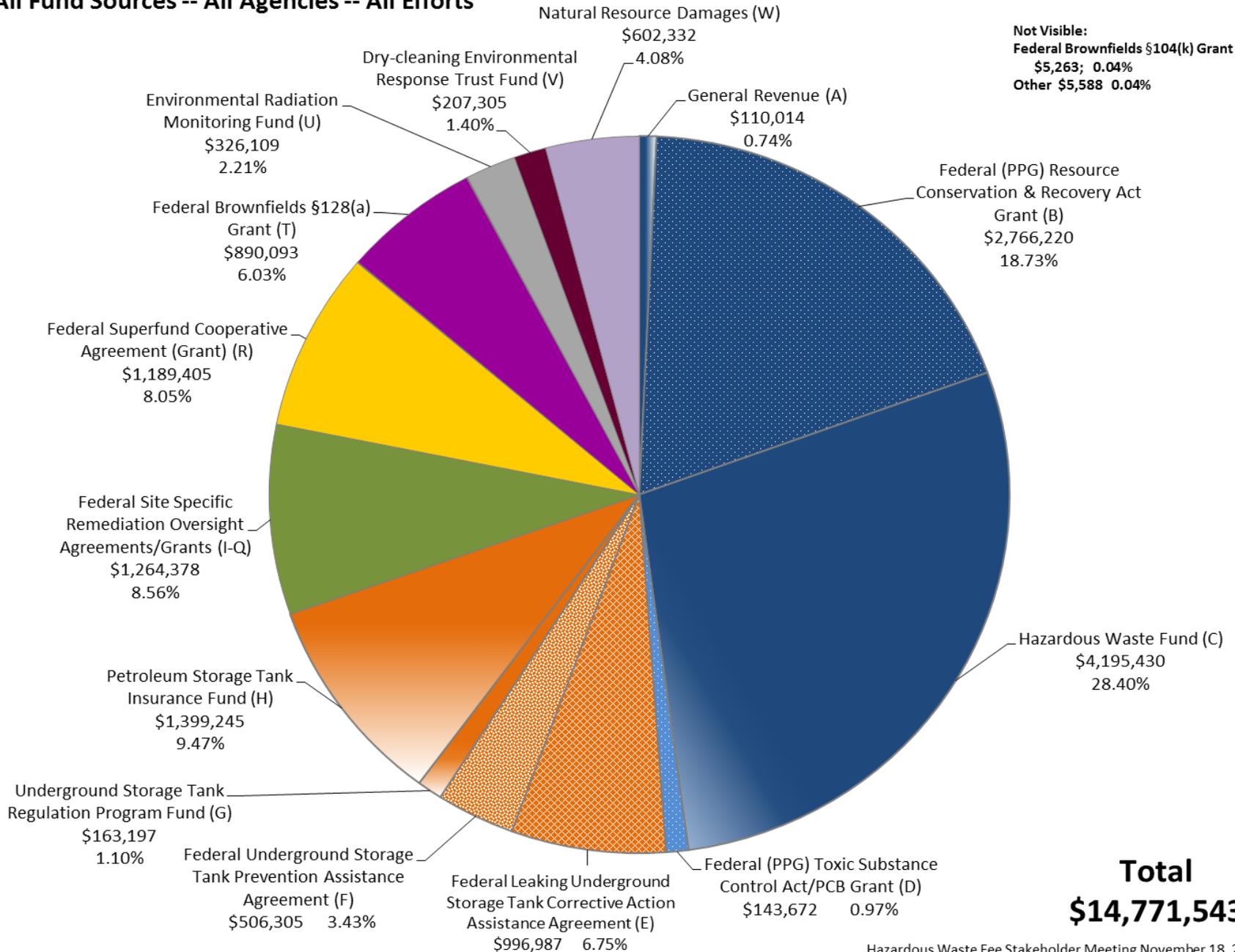
# Hazardous Waste Funding

## FY 2014 Operating Expenditures by Fund Source (excludes Pass Through)

### All Fund Sources -- All Agencies -- All Efforts

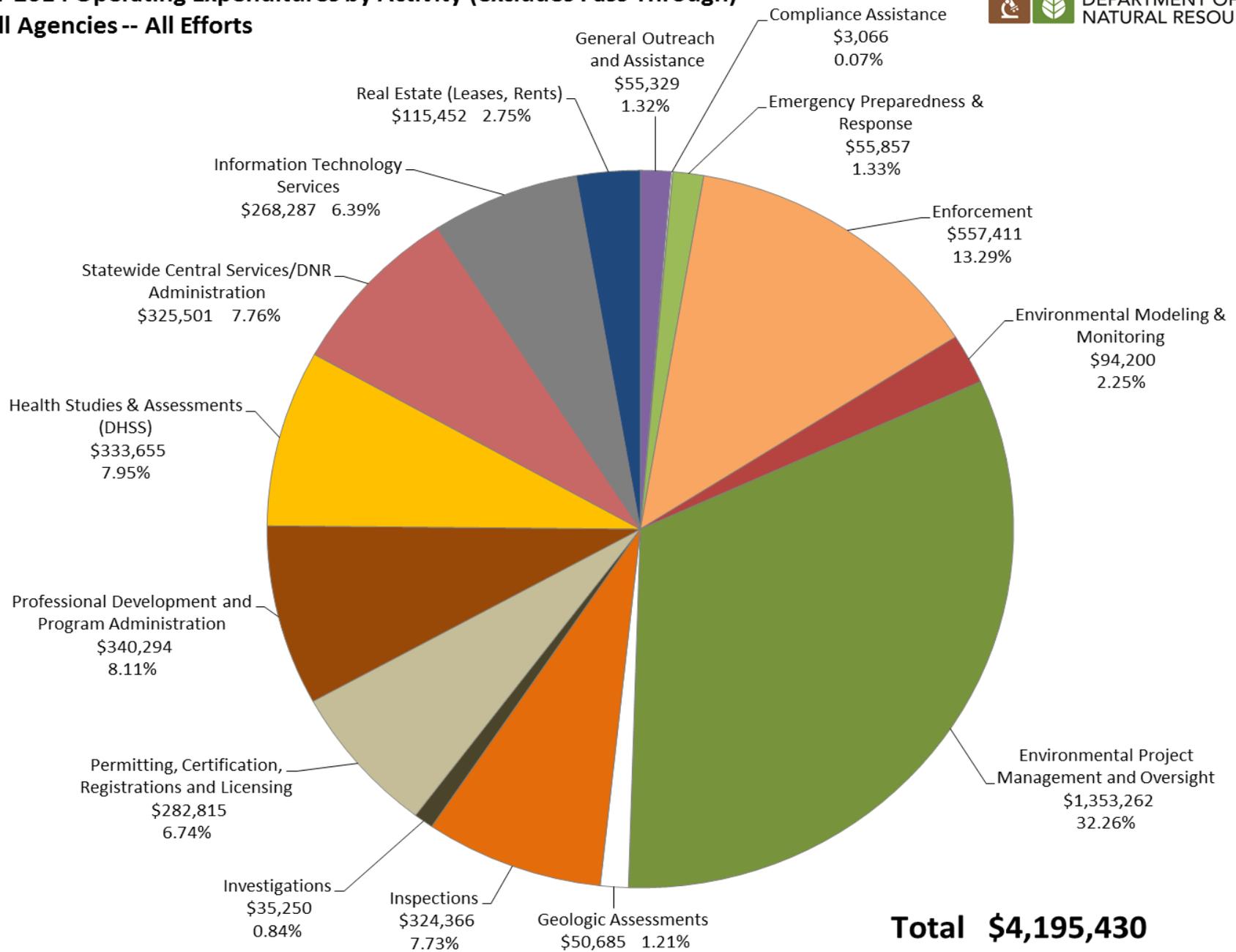


**Not Visible:**  
**Federal Brownfields §104(k) Grant (S)**  
 \$5,263; 0.04%  
**Other** \$5,588 0.04%



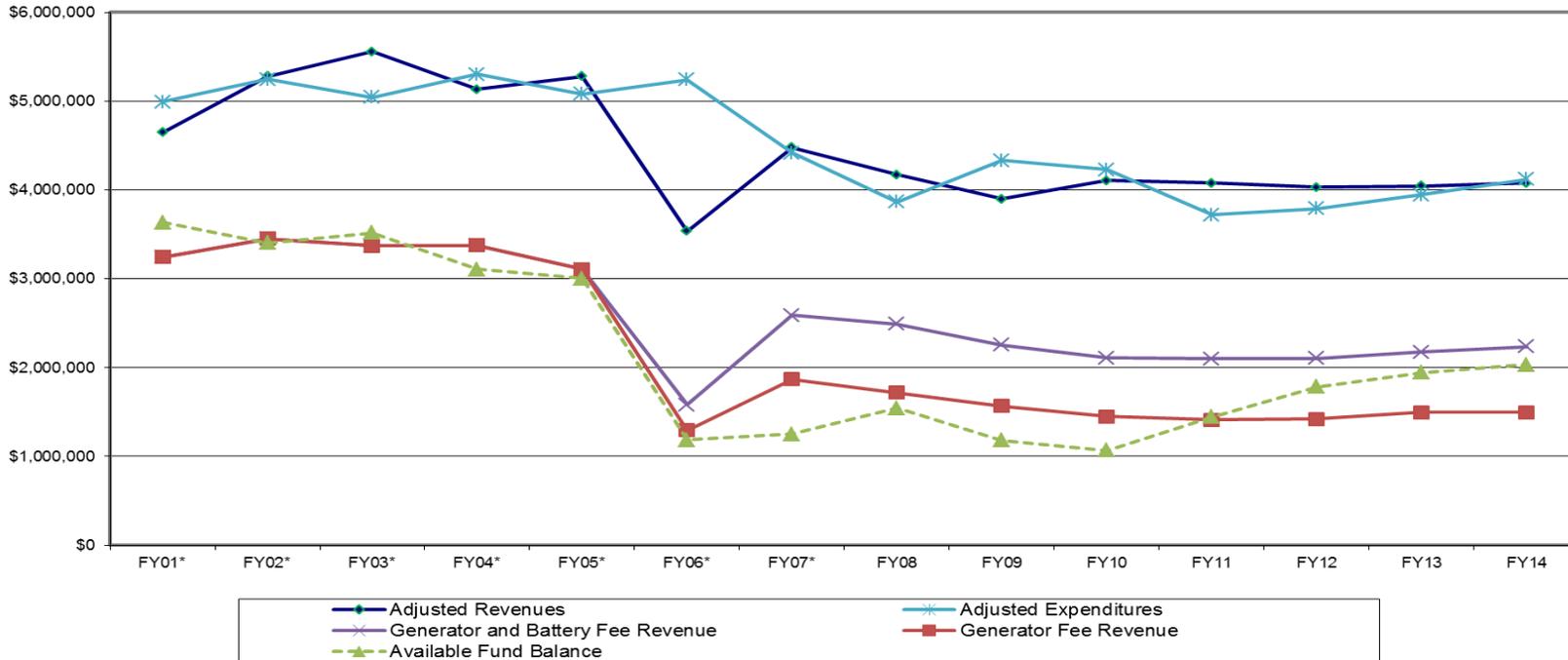
**Total**  
**\$14,771,543**

**Hazardous Waste Fund  
FY 2014 Operating Expenditures by Activity (excludes Pass Through)  
All Agencies -- All Efforts**



**Total \$4,195,430**

**Hazardous Waste Fund Adjusted Revenues and Expenditures Fiscal Years 2001-2014 for Fee Stakeholder Workgroup**



**Notes:**

Revenues

Adjustments include one-time revenues such as transfers from General Revenue for superfund obligations and settlements.  
 FY 2001-2004 - SB577 established a registration fee, increased fee rates and raised maximum fees all of which increased Generator Revenues.  
 FY 2005-2014 - SB225 consolidated the Hazardous Waste and Hazardous Waste Remedial Funds (\*combined in this chart); restructured waste fees reducing the Generator Fees; and established the battery fee. The initial battery fee revenue collections began in the final quarter of FY 2006.  
 FY2010 revenues reflect an increase in cost recovery  
 Generator Fee Revenue includes category tax; registration/renewal fees; in-state and out of state waste fees; land disposal fees.

Expenditures

Adjustments include Superfund Obligations Payments; expenditures relating to one-time funds; fund correction transfers.  
 FY2007 - 2014 SB225 directed the Department to seek GR appropriations for Superfund obligations. In FY2007 General Revenue (GR) funding was used for some program charges due to cash flow issues; in FY2008 Environmental Emergency Response operating appropriations were shifted to GR.

Available Fund Balance

For purposes of fee structure review, this chart reflects the available balance in the consolidated Hazardous Waste and Hazardous Waste Remedial Funds. This balance is calculated utilizing the cash balance and adjusting for one-time revenues that are held in the fund for specific use.

## Cost Recovery Multiplier

- Currently set at 3.5 times staff hourly rate
- Program review performed
- Review determined that rate currently covers Program cost
- Program will perform annual review and focus efforts on ensuring all eligible cost are recovered

# Fee Structures that can be Changed by Rule Using SB642 Process

Fee	Amount	Conditions
Generator Registration and Renewal	\$100 per year	
In-state Generator	\$5 per ton	Min of \$150 Max of \$52,000
Out-State Generator	\$2 per ton	
Land Disposal	\$25 per ton	Not applied to < 10 tons
Offsite Transportation	\$2 per ton	Not applied to < 10 tons

# Example Fee Options – Suggestion from Last Meeting

Fee	Amount	Conditions
Generator Registration and Renewal	\$200 per year	
In-state Generator	\$6 per ton	Min of \$300 Max of \$52,000
Out-State Generator	\$2 per ton	
Land Disposal	\$25 per ton	Not applied to < 10 tons
Offsite Transportation	\$2 per ton	Not applied to < 10 tons

Concern raised that increases to smaller generators may need to be phased in over time.

# Example Fee Options – Suggestion from Last Meeting

Fee Type & Current Fee Level	Current Revenues based on Fiscal Year 2014 Reporting data	Fiscal Year 2014 Permits/Applications/ Hours/Tons per Year	Potential Fee Level or Adjustment	Projected Additional Revenue at Adjusted Fee Level	Projected Total Revenue
<b>Fee Structures that can be Changed by Rule by SB642 Process</b>					
Generator Registration and Renewal - \$100 per year	\$ 263,000	2,630	\$ 200.00	\$ 263,000	\$ 526,000
In-State Generator - \$5 per ton	\$ 710,055	267,774	\$ 6.00	\$ 276,873	\$ 986,928
<i>Minimum Fee - \$150 (1,362 generators in Fiscal Year 2014)</i>			\$ 300		
<i>Maximum Fee - \$52,000 (2 generators in Fiscal Year 2014)</i>			\$ 52,000		
Out-State Generator - \$2 per ton	\$ 360,428	180,214	\$ 2.00	\$ -	\$ 360,428
<i>Minimum Fee</i>		No	\$ -		
<i>Resource Recovery Facilities Pay? Same rate as TSDFs</i>		No		\$ -	
Land Disposal - \$25 per ton	\$ 134,851	5,394	\$ 25.00	\$ -	\$ 134,851
Offsite Transportation - \$2 per ton	\$ -	0	\$ 2.00	\$ -	\$ -
			<b>Additional Fees</b>	\$ 539,873	\$ 2,008,207

# Example Fee Options – 3% Increase Per Year Since Last Fee Change (2005)\*

Fee	Amount	Conditions
Generator Registration and Renewal	\$136 per year	
In-state Generator	\$6.80 per ton	Min of \$204** Max of \$70,720
Out-State Generator	\$2.72 per ton	
Land Disposal	\$34 per ton	Not applied to < 10 tons
Offsite Transportation	\$2.72 per ton	Not applied to < 10 tons

\*Concept could include additional 3% increases going forward for specified period of time

\*\*Minimum applied at one ton or less and 6.80 for each additional ton.

# Example Fee Options – 3% Increase Per Year Since Last Fee Change (2005)

Fee Type & Current Fee Level	Current Revenues based on Fiscal Year 2014 Reporting data	Fiscal Year 2014 Permits/Applications/ Hours/Tons per Year	Potential Fee Level or Adjustment	Projected Additional Revenue at Adjusted Fee Level	Projected Total Revenue
<b>Fee Structures that can be Changed by Rule by SB642 Process</b>					
Generator Registration and Renewal - \$100 per year	\$ 263,000	2,630	\$ 136.00	\$ 94,680	\$ 357,680
In-State Generator - \$5 per ton	\$ 710,055	267,774	\$ 6.80	\$ 302,757	\$ 1,012,812
<i>Minimum Fee - \$150 (1,362 generators in Fiscal Year 2014)</i>			\$ 204.00		
<i>Maximum Fee - \$52,000 (2 generators in Fiscal Year 2014)</i>			\$ 70,720		
Out-State Generator - \$2 per ton	\$ 360,428	180,214	\$ 2.72	\$ 129,754	\$ 490,182
<i>Minimum Fee</i>		No	\$ 1,000.00		
<i>Resource Recovery Facilities Pay? Same rate as TSDFs</i>		No		\$ -	\$ -
Land Disposal - \$25 per ton	\$ 134,851	5,394	\$ 34.00	\$ 48,546	\$ 183,397
Offsite Transportation - \$2 per ton	\$ -	0	\$ 2.72	\$ -	\$ -
			<b>Additional Fees</b>	\$ 575,738	\$ 2,044,071

# Example Fee Options – Tiered Tonnage Fee

Fee	Amount	Conditions
Generator Registration and Renewal	\$150 per year	
In-state Generator	\$200 per ton $\leq$ 1 ton \$15 per ton (2-10) \$10 per ton (11 – 500) \$6 per ton (501 - 1,000) \$5 per ton (1,000 - 10,000) \$.05 per ton > 10,000	Min of \$200 Max none

# Example Fee Options – Tiered Tonnage Fee

Fee	Amount	Conditions
Out-State Generator	<p>\$1,000 per ton <math>\leq</math> 1 ton</p> <p>\$15 per ton (2-100)</p> <p>\$10 per ton (101 – 500)</p> <p>\$7 per ton (501 - 1,000)</p> <p>\$2.50 per ton <math>&gt;</math> 1,000</p>	Min of \$1,000
Land Disposal	\$30 per ton	Not applied to $<$ 10 tons
Offsite Transportation	\$2 per ton	Not applied to $<$ 10 tons

# Example Fee Options – Tiered Tonnage Fee

CALCULATOR FOR INPUT					
Fee Type & Current Fee Level	Current Revenues based on Fiscal Year 2014 Reporting data	Fiscal Year 2014 Permits/Applications /Hours/Tons per Year	Potential Fee Level or Adjustment	Projected Additional Revenue at Adjusted Fee Level	Projected Total Revenue
<b>NOTE: Error will be shown in totals field if fee levels are not completed.</b>					
<b>Fee Structures that can be Changed by Rule by SB642 Process</b>					
<b>Generator Registration and Renewal - \$100 per year</b>	\$ 263,000	2,630	\$ 150	\$ 131,500	\$ 394,500
<b>In-State Generator - \$5 per ton</b>	\$ 710,055	267,774		\$ 306,406	\$ 1,016,461
<i>Minimum Fee - \$150 (1,362 generators in Fiscal Year 2014)</i>			\$ 200	<i>Tonnage Range</i>	
<i>Fee at top of range not considering minimum or cap for fees</i>		\$ 200	\$ 200.00	1	1
		\$ 335	\$ 15.00	2	10
		\$ 5,235	\$ 10.00	11	500
		\$ 8,235	\$ 6.00	501	1,000
		\$ 53,235	\$ 5.00	1,001	10,000
<i>Maximum Fee - \$52,000 (2 generators in Fiscal Year 2014)- For this calculator we have not included a hard cap on fee structure</i>			\$ 0.05	10,001	AND UP
<b>Out-State Generator - \$2 per ton</b>	\$ 360,428	180,214		\$ 143,775	\$ 504,203
<i>Minimum Fee (no minimum set currently but this leaves a line for that option)</i>			\$ 1,000	<i>Tonnage Range</i>	
		\$ 1,000	\$ 1,000.00	1	1
		\$ 2,485	\$ 15.00	2	100
		\$ 6,485	\$ 10.00	101	500
		\$ 9,985	\$ 7.00	501	1,000
Rate assessed on all tons			\$ 2.50	1,001	AND UP
<i>Resource Recovery Facilities Out-State Generator - same structure as TSDs</i>	\$ -		No	\$ -	\$ -
<b>Land Disposal - \$25 per ton</b>	\$ 134,851	5,394	\$ 30.00	\$ 26,970	\$ 161,821
<i>Calculating Land Disposal on same basis as In-State Generator (round to nearest whole ton)</i>			No	\$ -	\$ -
Offsite Transportation - \$2 per ton	\$ -	0	\$ 2.00	\$ -	\$ -
			<b>Additional Fees</b>	\$ 608,650	\$ 2,076,984



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DEPARTMENT OF  
NATURAL RESOURCES

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# Discussion

# Draft Timeline for Rulemaking

- April 2015: Present proposed fee structure to Hazardous Waste Management Commission
- June 2015: Seek Commission approval and then file proposed rule
- August 2015: Hold public hearing
- October 2015: Obtain final approval from Commission and file orders of rulemaking



# Future Meeting Dates

- February 19, 2015\*
- March TBD (13<sup>th</sup> or 20<sup>th</sup>)

\*Scheduled in Conjunction with a Commission Meeting