

# ***Air Resources Board Public Workshop***

*Proposed Fees on Nonvehicular  
Sources, Consumer Products, and  
Architectural Coatings*

*May 1, 2003*

# *Presentation Outline*

- Background on 2003-04 Budget
- Statutory Authority
- AB 10X Billing Threshold
- Affected Sources
  - Large stationary sources
  - Consumer products
  - Architectural coatings
- Fee Summary
  - Estimated 2003-04 fee rate
- Comments and Questions

# ***Background on 2003-04 Budget***

- ARB's Stationary Source Program budget is \$40 million
- California's 2003-04 fiscal year budget cuts \$12 million of state support for ARB's Stationary Source Program
- ARB authorized to recover this loss through increased fees
  - Have cut \$2 million from its budget
  - Propose to collect remaining \$10 million through fees

# *Statutory Authority*

- AB 10X, Oropeza
- Signed by Governor on March 18, 2003
- ARB to assess and collect fees unless district requests to do so
- CCAA Nonvehicular Source Fee Program has existed since 1989 with a threshold of 500 tpy

# ***AB10X Billing Threshold***

- Large Point Sources
  - 250 and greater tons per year of pollutants
- Consumer Products
  - Statewide sales of 250 and greater tons per year of pollutants
- Architectural Coatings
  - Statewide sales of 250 and greater tons per year of pollutants
- Emissions based on 2001 inventory year

# *Affected Sources*

- Large Point Sources
  - 85 facilities with emissions of 250 and greater tpy
  - 123,000 billable tons
- Consumer Products and Aerosol Coatings
  - 57 companies with emissions of 250 and greater tpy
  - 59,000 billable tons
- Architectural Coatings
  - 24 companies with emissions of 250 and greater tpy
  - 37,000 billable tons

# *Fee Summary*

- Fees based on the formula:

$$\text{Fee per ton} = \frac{R+A-C}{E}$$

where R = Revenues needed

A= 3% Adjustment

C= Carry-over balance

E= Total emissions subject to fees

- Estimated 2003-04 fiscal year fee rate:
  - \$13 - 17.4 million in fees collected
  - 219,000 total billable tons
  - \$60 - \$85 per billable ton



# *Regulatory Timeframe*

- Public Workshop May 1, 2003
- 45-day Notice to Public June 9, 2003
- Public Workshop June 26, 2003
- Public Agenda Available July 14, 2003
- Board Meeting July 24, 2003
- 15-day Changes to Public  
(if needed) ~August 1, 2003
- End 15-day Comment Period ~August 16, 2003
- Effective Date of Regulation Late 2003



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