State of California
AIR RESOURCES BOARD

Resolution 83-22

July 29, 1983

Agenda Item No.: 83-11-1

WHEREAS, the Legislature in 1982 enacted the Kapiloff Acid Deposition Act (Stats 1982, Ch. 1473; Health and Safety Code Sections 39900-39915) to address the problem of acid deposition in California;

WHEREAS, in the Kapiloff Acid Deposition Act the Legislature declared that acid deposition from anthropogenic sources in California has the potential for significant adverse effects on the environment, on the economy, and on public health;

WHEREAS, the Kapiloff Acid Deposition Act directs the Air Resources Board (the "Board") to coordinate and collect research and monitoring data on acid deposition;

WHEREAS, the Board in January of 1981 conducted a Symposium on Acid Precipitation in California and has conducted and funded initial monitoring and research studies which indicate that acid deposition, including acid rain, acid fog, and other forms of acid precipitation, occur at various times and locations throughout California;

WHEREAS, a proposed comprehensive research and monitoring program, including a five-year plan and a priority first-year plan to meet the research and monitoring goals and objectives set forth in the Kapiloff Acid Deposition Act, has been developed by Board staff and endorsed by the State Agency Working Group on Acid Deposition pursuant to Health and Safety Code Sections 39906 and 39907;

WHEREAS, the Kapiloff Acid Deposition Act authorizes the Board to require local air pollution control districts and air quality management districts, beginning July 1, 1983, to impose additional variance and permit fees on major nonvehicular emission sources of sulfur oxides and nitrogen oxides in order to recover a portion of the costs of the acid deposition research and monitoring program (Health and Safety Code Sections 39910-39914);

WHEREAS, the Board, after reviewing the status and staff recommendations regarding the current and planned acid deposition research program, has adopted Resolution 83-6, dated April 21, 1983, stating its intention to consider a proposal that would establish regulations to require districts to adopt an acid deposition fee program in Fiscal Year 1983-84;

WHEREAS, the Board staff has held workshops with industry and has met and conferred with representatives of local air pollution control districts and with their assistance has developed a proposed fee program which specifies the amount of fee collection that would be required by each district and has also developed a uniform sample fee schedule which may be considered for adoption by each district;

WHEREAS, the proposed fee program has been designed to provide the Air Pollution Control Fund with net revenues of one million dollars ($1,000,000) exclusive of administrative costs in Fiscal Year 1983-84, which is the lesser of either one million dollars ($1,000,000) or the amount that has been appropriated by the Legislature from the Motor Vehicle Account and California Environmental License Plate Fund for acid deposition research, as required by the Kapiloff Acid Deposition Act;

WHEREAS, the proposed fee program for Fiscal Year 1983-84 is based on sulfur oxides and nitrogen oxides emission data from major permitted nonvehicular sources, as provided in the Kapiloff Acid Deposition Act, and the proposed regulations and sample fee schedule are based on the most current annual emissions data available from the districts, which are for calendar year 1982;

WHEREAS, the Board has determined that the proposed fee program will not cause economic hardship on either the affected sources or on consumers who may ultimately bear the costs or on the districts, which are authorized to recover the administrative costs of collecting the fees;

WHEREAS, a duly noticed public hearing has been held in accordance with the California Administrative Procedure Act, and the Board has received and considered written and oral testimony from the affected industries, air pollution control districts, and the general public; and

WHEREAS, the Board has determined, pursuant to the requirements of the California Environmental Quality Act and Air Resources Board regulations, that this regulatory action will have no significant adverse effect on the environment.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the regulations set forth in Attachment A, which establish a fee program and require local air pollution control districts and air quality management districts to collect fees, as authorized by the Kapiloff Acid Deposition Act, to provide funds for acid deposition research and monitoring.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to adopt the amendments set forth in Attachment A after making them available to the public for a period of 15 days, provided, however, that the Executive Officer shall consider such written comments as may be submitted during this period, and shall present the regulations to the Board for further consideration if he determines that this is warranted in light of the written comments received.

BE IT FURTHER RESOLVED that the Board approves the sample fee schedule set forth in Attachment B for consideration by those local air pollution control districts and air quality management districts which are required to collect fees for acid deposition research pursuant to the regulations attached hereto.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to forward the attached regulations and model fee schedule to the specified districts for appropriate action, and to the Department of Finance, the Legislative Analyst, and the State Controller for information and for appropriate action.

BE IT FURTHER RESOLVED that in order to allow the districts sufficient time to adopt regulations to implement the acid deposition fee program, it is the intent of the Board that the regulations set forth in Attachment A become effective immediately upon filing with the Secretary of State.

BE IT FURTHER RESOLVED that the Board intends to review in 1984 the status of the acid deposition research and monitoring program and to reconsider at that time the renewal and modification, as necessary, of the proposed fee program for major nonvehicular sources in order to reflect legal requirements, changes in program needs and capabilities, changes in base year emissions, and such other factors as may influence acid deposition research and funding requirements.

I certify that the above is a true and correct copy of Resolution 83-22 as adopted by the Air Resources Board.

Harold Holmes

(Harold Holmes, Board Secretary

ATTACHMENT A

Subchapter 3.5. Acid Deposition Fee Program

Article 1. Fee Program to be Implemented by Air Pollution Control Districts and Air Quality Management Districts for Fiscal Year 1983-1984.

90600. General Requirements. To provide revenue for acid deposition research and monitoring for fiscal year 1983-84, each district identified in Section 90601 shall adopt regulations, with an effective date no later than ~~October~~ December 15, 1983, which provide for the collection of fees from the holders of permits for sources which emit 1,000 tons per year or more of either sulfur oxides or nitrogen oxides. The fees collected shall be in addition to permit and other fees already authorized to be collected from such sources and shall provide net revenues from each district, excluding collection costs and accrued interest, as specified in Section 90601. In no event shall such fees, including fees collected to cover the administrative costs to the district of collecting the fees, exceed twenty-five one-hundredths of one cent ($0.0025) per pound of sulfur oxides or nitrogen oxides emitted.

NOTE: Authority cited: Sections 39600, 39601, and 39910, Health and Safety Code. Reference: Sections 39002, 39500, 39600, and 39910-39914, Health and Safety Code.

90601. Fee Revenues. No later than March 1, 1984, each district specified in this section shall transmit to the California State Controller, for deposit into the Air Pollution Control Fund, net revenues, exclusive of district administrative costs and accrued interest, if any, in the amounts specified:

(a) Bay Area Air Quality Management District: ~~two hundred forty-seven thousand one-hundred dollars ($247,100)~~; one hundred ninety-five thousand nine hundred dollars ($195,900);

(b) South Coast Air Quality Management District: ~~two hundred twenty-three thousand five-hundred dollars ($223,500)~~; two hundred sixty-two thousand nine-hundred dollars ($262,900);

(c) Kern County Air Pollution Control District: ~~two hundred twenty-six thousand five hundred dollars ($226,500)~~; two hundred thirty-nine thousand nine hundred dollars ($239,900);

(d) San Bernardino County Air Pollution Control District: ~~eighty-eight thousand three hundred dollars ($88,300)~~; seventy-eight thousand six hundred dollars ($78,600);

(e) Monterey Bay Unified Air Pollution Control District: ~~fifty-one thousand four hundred dollars ($51,400)~~; fifty-five thousand nine hundred dollars ($55,900);

(f) San Diego County Air Pollution Control District: ~~sixty-two thousand eight hundred dollars ($62,800)~~; fifty-nine thousand three hundred dollars ($59,300);

(g) Fresno County Air Pollution Control District: ~~forty-nine thousand two hundred dollars ($49,200)~~; forty-eight thousand eight hundred dollars ($48,800);

(h) San Luis Obispo County Air Pollution Control District: ~~thirty-two thousand five hundred dollars ($32,500)~~; forty-three thousand six hundred dollars ($43,600);

(i) Ventura County Air Pollution Control District: ~~six thousand eight hundred dollars ($6,800)~~; ten thousand five hundred dollars ($10,500);

~~(j) Humboldt County Air Pollution Control District: seven thousand nine hundred dollars ($7,900);~~

(j) Stanislaus County Air Pollution Control District: four thousand six hundred dollars ($4,600);

~~(k) Stanislaus County Air Pollution Control District: four thousand dollars ($4,000).~~

NOTE: Authority cited: Sections 39600, 39601, and 39910, Health and Safety Code. Reference: Sections 39002, 39500, 39600, and 39910-39914, Health and Safety Code.

90602. Administrative Costs and Billing Information.

(a) To pay for the administrative costs of collecting the fees required by this article, each district may collect and retain fees, in addition to those specified in Section 90601, equal to the estimated cost of collecting the fees. ~~If the estimated cost of fee collection by the district exceeds two percent (2%) of the respective amount of fees specified in Section 90601, the district shall submit to the state board, no later than October 31, 1983, documentation to substantiate such administrative costs. In addition, each~~ Each district shall, upon request, submit to the state board within 30 days documentation to substantiate the administrative costs of collecting the fees required by this article.

(b) Each district shall submit to the state board, within 30 days of request, information relating to the assessed total tons of nitrogen oxides

and sulfur oxides, the amount of fees per pollutant collected from each major nonvehicular source, including fees to cover administrative costs, and the net amount of fees transmitted to the California State Controller, as set forth in Section 90601.

NOTE: Authority cited: Sections 39600, 39601, and 39910, Health and Safety Code. Reference: Sections 39002, 39500, 39600, and 39910-39914, Health and Safety Code.

90603. Exemption. In the event that any District is unable to collect the assessed acid deposition fee required by District rules and regulations from any source due to circumstances beyond the control of the District, including but not limited to plant closure or refusal of the source owner or operator to pay despite permit revocation and/or other enforcement action, such District shall notify the Executive Officer of the ARB, and for demonstrated good cause, may be relieved, on a prorated basis, from that portion of the fee collection requirement for the District, as set forth in 90601. Nothing herein shall relieve the owner or operator from any legal obligation to pay any fees assessed pursuant to district rules and regulations.

NOTE: Authority cited: Sections 39600, 39601, and 39910, Health and Safety Code. Reference: Sections 39002, 39500, 39600, and 39910-39914, Health and Safety Code.

Article 2. Fee Program to be Implemented by
Air Pollution Control Districts and Air Quality Management Districts
for Fiscal Year 1984-1985 and Subsequent Years

[Reserved.]

ATTACHMENT B

SAMPLE FEE SCHEDULE

I. RULE NO. ( ) SCHEDULE OF FEES FOR ACID DEPOSITION RESEARCH

A. DEFINITION OF MAJOR NONVEHICULAR SOURCE

For the purpose of this rule, major nonvehicular source shall mean any plant, building, structure, stationary facility or group of facilities under the same ownership, leasehold, or operator which, in the base calendar year, emitted to the atmosphere oxides of nitrogen or oxides of sulfur, expressed as nitrogen dioxide and sulfur dioxide, respectively, in an amount equal to or exceeding 1,000 tons.

B. FEE REQUIREMENTS FOR MAJOR SOURCES

1. For each major source, the permit holder is assessed a fee payable to (district), due within 60 days of notice of assessment by (district), and calculated according to the formula:

a. FEE AMOUNT = A + ~~B x ($3.175/ton)~~ (B x $3.687 per ton)

where:

A = administrative cost to district of fee collection, and

B = mass of emissions in the base year of oxides of nitrogen and/or oxides of sulfur, expressed as tons of nitrogen dioxide and sulfur dioxide, respectively, from the subject major source, and as determined by the Air Pollution Control Officer (Executive Officer) of (district).

b. In calculating the fee amount, emissions of either nitrogen oxides or sulfur oxides, if occurring in an amount of less than 1,000 tons per year, shall not be counted.

c. Notwithstanding Section (B)(1)(a), the fee amount, including district administrative costs, shall not exceed $0.0025 per pound (five dollars per ton) as specified by Health and Safety Code Section 39912.

2. Nonpayment of the assessed fees by the permit holder of a major source shall be cause for revocation of permit to operate or such other action as may be required by the Air Pollution Control Officer (Executive Officer) of the ___(district)___, consistent with current district practices for securing fee payment.

State of California
AIR RESOURCES BOARD

Response to Significant Environmental Issues

Item: Public Hearing to Consider the Adoption of a New Subchapter 3.5, "Acid Deposition Fee Program," into Title 17, California Administrative Code, Sections 90600-90603, and to Consider Approval of a Sample Fee Schedule

Agenda Item No.: 83-11-1

Public Hearing Date: July 29, 1983

Response Date: August 24, 1983

Issuing Authority: Executive Officer

Comment: No comments were received identifying any significant environmental issues pertaining to this item. The staff report identified no adverse environmental effects.

Response: N/A

Certified: _____
Executive Officer

Date: 9/26/83

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DEC 0 6

Resources Agency of California

State of California

Memorandum

To : Gordon Van Vleck
Secretary
Resources Agency

Date : December 7, 1983

Subject : Filing of Notice of Decisions of the Air Resources Board

Harold Holmes
Board Secretary
From : Air Resources Board

Pursuant to Title 17, Section 60007 (b), and in compliance with Air Resources Board certification under section 21080.5 of the Public Resources Code, the Air Resources Board hereby forwards for posting the attached notice of decision and response to environmental comments raised during the comment period.

ATTACHMENTS
83-14
83-15
83-16
83-21
[redacted]
83-24

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