



Hazardous Waste Planning Fee

Dennis Johnson
Hazardous Waste & Toxics Reduction
Program

June 23, 2008



How is the HWTR P2 program funded now?

- Hazardous Waste Planning Fee (“P2 Planning” Fee)
- Hazardous Waste Base (or “Generation”) Fee
- State Toxics Control Account (STCA)
- Combined, the P2 Planning and Generation fees pay for about half of the Hazardous Waste and Toxics Reduction program total expenditures for hazardous waste reduction activities. The STCA makes up the rest.



Hazardous Waste Planning Fee

- WAC 173-305 Hazardous Waste Fees requires facilities to pay an annual fee to support implementation of the planning requirements.
- The annual planning fee is assessed on facilities that generate more than 2,640 pounds of recurrent hazardous waste annually or that report toxic releases as part of the federal Toxics Release Inventory (TRI) requirement.



HW Planning Fee, continued

- Facilities generating between 2,640 and 4,000 lbs per year pay \$60 per year. TRI is not factored into this amount.
- Above 4,000 lbs, the fee is assessed using a per pound rate for both dangerous and extremely hazardous waste, and toxic releases adjusted annually for inflation.



HW Planning Fee, continued

- No facility pays more than the annual cap (\$18,300 for 2008).
- The amount collected is capped by law and currently brings in \$1.8M per year.



What do fees pay for?

Funds provide help in plan development, plan review, technical and engineering assistance, research, compliance education, and other activities related to P2 plan implementation.



What was the original intent of the HW planning fees?

- “Just to implement the program” - Cathy Carruthers, Department of Ecology economist.
- Incentives included recycling credits, 10X fee for Extremely Hazardous Waste.
- Small business should not carry more than their fair share of the costs.



What are some problems of the HW Planning Fee?

- Facilities with no waste - but sometimes very large Toxics Release Inventory emissions - pay nothing.
- Fees are not based on the use of toxics, only waste and TRI emissions.
- For the largest generators, the more waste they generate, the lower the rate they pay.
- The current revenue cap does not fully pay for current technical assistance and outreach activities.



What are some problems of the HW Planning Fee?, continued

- While revenues provide technical assistance to facility planners and other program activities, the fee system does not address “upstream” or supply side waste/hazardous substance reduction.
- It’s possible for a facility to reduce their hazardous waste and still pay a higher fee the next year.



What are the historical trends?

	1994	2004	2007
Facilities in the P2 Planning universe	686	446	502
# facilities at the capped fee	63	50	51
Capped facilities portion of total waste (Fee Pounds **)	99.8%	93%	92%
Capped amount (maximum fee)	\$10,943	\$14,788	\$17,100
<i>- Capped fee increase over years (tied to inflation)</i>	<i>Year zero</i>	35%	56%
# of Non-capped facilities	382	295	264
Non-capped fee rate per risk pound	.013	.078	.125
Non-capped facilities portion of total fees raised	39%	52%	49%
<i>- Non-capped fee increase over years (per formula)</i>	<i>Year zero</i>	500%	862%
# over 2,640 but < 4,000 lbs. that pay a minimum fee	35	57	59
<i>- Minimum fee increase over years (\$50 to \$60)</i>	<i>Year zero</i>	20%	20%
# P2 Planning facilities that pay no planning fee	206	43	128



What studies on the HW Planning Fee exist?

- 1995 Senate Budget Committee review
- Beyond Waste P2 Planning and Fee papers
- Internal quantitative work with “What if?” scenarios
- Sightline Institute report
- Other states’ examples



Areas of focus for the committee

- How can the fees be made more equitable?
- How can the fees be structured to provide incentives for toxics use reduction?
- Should the fees be based on toxics used rather than wastes generated?