

# SENATE BILL REPORT

## SB 6467

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As Passed Senate, February 7, 1996

**Title:** An act relating to pollution source fees.

**Brief Description:** Concerning the collection of pollution program fees.

**Sponsors:** Senators Spanel, Swecker, Sutherland, Morton, Bauer, A. Anderson, Fraser, Roach and Haugen.

**Brief History:**

**Committee Activity:** Ecology & Parks: 1/18/96, 1/24/96 [DP].  
Passed Senate, 2/7/96, 48-0.

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### SENATE COMMITTEE ON ECOLOGY & PARKS

**Majority Report:** Do pass.

Signed by Senators Fraser, Chair; Fairley, Vice Chair; Hochstatter, McAuliffe, Spanel and Swecker.

**Staff:** Susan Ridgley (786-7444)

**Background:** New sources of air pollution must file a "notice of construction" application and pay a fee; the fee covers the cost of processing the application. Cost-based fees are also collected from some facilities or sources when special, case-by-case RACT review is required. (RACT is Reasonably Available Control Technology, an emission limit that takes into account economic and technological limits.) Currently, new source review fees and RACT determination fees may be deposited in one of two separate state accounts: those from small non-permit sources go into the air pollution control account, and those fees from major permit sources go into the air operating permit account. There is about \$4.5 million in the air operating permit account, of which \$650,000 is from new source, and RACT fees and the remainder from air operating source fees.

This system was created so that all the fees paid by the major permitted facilities, whether for new source review, RACT determination or air operating permits, would go into one account. However, new source review and RACT determinations are infrequent or one-time charges, while air operating permits are an ongoing expense. Continuing to mix new source review fees and RACT determination fees into the air operating permit account makes it more difficult to track the expenditures on air operating permits.

**Summary of Bill:** All new source review fees, and all RACT determination fees, are deposited into the air pollution control fund. Language that distinguishes between funds from permit program sources and non-permit program sources is deleted. The air operating permit fund consists solely of revenue from fees paid by air operating permittees, and is used solely to fund administration of the air operating permit program.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Certainty is given to the industry that they can track expenditures from the air operating permit fund.

**Testimony Against:** There are concerns that putting the new source review and RACT determination fees in the air pollution control account makes those monies vulnerable to being used for other purposes.

**Testified:** Llewellyn Matthews, NW Pulp and Paper Assn. (pro); Joe Williams, Ecology (pro); John Giboney, Shell Oil (pro).