151st GENERAL ASSEMBLY
FEE IMPACT

BILL:	**HOUSE BILL NO. 257**
SPONSOR:	**Representative Heffernan**
DESCRIPTION:	**AN ACT TO AMEND TITLE 7 OF THE DELAWARE CODE RELATING TO CHANGES TO AIR QUALITY PERMITTING FEE STRUCTURE FOR NATURAL MINOR PERMITS.**

In accordance with 29 Del. C. §913, the following information is provided relating to licenses and fees.

Description of the Legislation:

This Act authorizes the Department of Natural Resources and Environmental Control (DNREC) to update the air quality permitting fee structure for natural minor permits. The schedule of fees established in this Act is the first of a phased fee adjustment necessary to establish a self-sustaining permitting program. The first phase of increases is expected to create revenue equivalent to 50% of the current program costs. Future phased evaluations will occur with recommended adjustments to fund 75% and 100% of the program costs respectively.

Affected Entities:

The affected entities of this Act are DNREC, and businesses that apply for air quality permits for equipment, facility, or device which has the potential to discharge air contaminants into the atmosphere.

Fiscal Impact:

This Act establishes the following fees to be collected by DNREC:

Application Fees:

Fee Description	Current Fee	New Fee
Fuel Burning Unit	$165	$300
Process Unit	$215	$400
Volatile Organic Compounds Unit	$180	$300
Volatile Organic Compounds Systems-Gasoline Dispensing Facility	$120	$250
Volatile Organic Compounds Systems-Dry Cleaning Facility	$265	$500
Water Tank Lead Paint Removal	$215	$350
Temporary Emergency Variance	$1,000	$1,750
Variance	$5,000	$9,000
Permit Amendment	$175	$300

Additional application complexity fees for each application:

Fee Description	Current Fee	New Fee
Minor New Source Review Applicability	None	$3,000
Emission Offset Provisions	None	$12,000
Prevention of Significant Deterioration	None	$12,000
Maximum Achievable Control Technology	None	$3,000
National Emission Standards for Hazardous Air Pollutants	None	$3,000
New Source Performance Standards	None	$3,000
Distributed Generator	None	$3,000

Annual Permit Fees:

Fee Description	Current Fee	New Fee
Fuel Burning Unit	$75	$125
Process Unit	$125	$200
Volatile Organic Compounds Unit	$75	$125
Volatile Organic Compounds Systems-Gasoline Dispensing Facility	$75	$125
Volatile Organic Compounds Systems-Delivery Vessel	$50	$85
Volatile Organic Compounds Systems-Dry Cleaning Facility	$175	$300

Currently, DNREC collects approximately 25% of the program costs ($165,000) through existing fees. DNREC estimates that $370,000, or 50% of the program costs will be collected upon implementation of the fee increases established in this Act.

Intended Use of Revenue:
The revenue will be deposited to DNREC and used to support the department's responsibilities concerning the Natural Minor Permitting Program.

Prepared by Julie Fedele
Office of the Controller General