



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

May 23, 2013

Joint Committee on Finance

Paper #475

Air Permit Fees – Federally-Regulated Sources (DNR -- Environmental Quality)

[LFB 2013-15 Budget Summary: Page 345, #1]

CURRENT LAW

The U.S. Environmental Protection Agency (EPA) has delegated to the Department of Natural Resources (DNR) the authority to administer the federal air operation permit program in the state, also known as the Title V program, after the title of the federal Clean Air Act Amendments of 1990. DNR issues federal operation permits to stationary sources, such as large factories and power plants, which emit over a certain threshold of air pollutants. States are required to assess fees based on the tonnage of emissions generated by a stationary source that is a federally-regulated facility under the federal operation permit program. The fees may only be used for the implementation of Clean Air Act provisions. States must demonstrate to EPA that the fees collected on emissions are adequate to cover the state's program costs associated with reducing the emissions of facilities being assessed the fee. In Wisconsin, the fees have been assessed for emissions since calendar year 1992. The fees for 1994 through 1999 were adjusted according to changes in the consumer price index. Under 1999 Act 9, the annual consumer price index adjustment was deleted for years after 2000, and a one-time adjustment of \$0.86 per ton was made, fixing the fee rate at \$35.71 per ton for 2000 and subsequent years.

The air emission fees are deposited in a program revenue appropriation for administration of permitting activities at federally-regulated sources. The fees are assessed on sulfur dioxide, nitrogen oxides and other air pollutants. In 2011-12, DNR assessed almost \$6.4 million on over 178,000 tons of pollutants emitted by approximately 370 federally-regulated sources, and collected \$6,568,000. (The amount collected was slightly larger than the amount assessed because it includes some fees assessed in the prior year and collected in 2011-12.) DNR estimates it will assess approximately \$6.2 million in 2012-13.

In 2012-13, DNR is authorized base funding of \$7,342,500 PR with 66.25 PR positions

funded from the air emission fees from federally-regulated sources. This includes \$6,376,300 and 56.5 positions located in the Bureau of Air Management, and a total of \$966,200 and 9.75 positions located in the Bureau of Cooperative Environmental Assistance, management functions for the Division of Air, Waste, and Remediation and Redevelopment, Division of Enforcement and Science, and Division of Customer and Employee Services.

GOVERNOR

Increase the annual fee paid by facilities that are subject to federal regulation under the Clean Air Act to operate a stationary source that emits air pollutants, from the current \$35.71 per ton of certain pollutants emitted in the previous calendar year, to \$46.71 per ton billed in 2014 (for calendar year 2013 emissions) and \$59.81 per ton in 2015 (for calendar year 2014 emissions). Specify that the fee billed in years after 2015 would increase 4 percent per ton from the amount billed in the previous year. The administration estimated the fee increase would generate revenue of approximately \$1,500,000 in 2013-14 and \$1,800,000 in 2014-15.

Retain the current annual cap on fees of 5,000 tons per pollutant per facility. Repeal the exemption from the 5,000 tons per year cap currently allowed for major utilities subject to a federal acid rain regulatory program. DNR indicates the Department has never used this exemption to assess sources for tons of emissions in excess of 5,000 tons. Thus, removing the exemption from the emissions cap would not be expected to have a revenue effect.

DISCUSSION POINTS

1. Under current law, revenues would be insufficient to support base-level funding under the bill, based on DNR's revised estimates of billable tons of emissions. Table 1 shows revenues and expenditures if no fee increase is provided. DNR indicates it is currently meeting its obligations to EPA for administration of the Title V federally-regulated air permit sources, but indicates it would not have sufficient revenue to do so under the current fee structure beginning in 2013-14. DNR would have to reduce expenditures below authorized amounts by at least \$1.3 million in 2013-14 and \$1.5 million in 2014-15 (before consideration of potential health insurance or compensation increases). However, DNR did not request additional revenue in the Department's 2013-15 biennial budget request.

2. When the bill was introduced, the administration estimated that, due to declining emissions, total revenue received from federally-permitted sources under the fee increase in the bill would hold steady at approximately \$7.2 million in each year. The fee amount per ton was intended to generate a revenue increase of \$1.5 million in 2013-14 and \$1.8 million in 2014-15 and was intended to be sufficient to support the 66.25 currently-authorized PR positions and approximately \$7.1 million PR annually in authorized base-level expenditures under the bill.

TABLE 1**Federally-Regulated Air Operation Permits
Revenues and Expenditures Under Current Law**

	2011-12 <u>Actual</u>	2012-13 <u>Estimated</u>	Current Law	
			<u>2013-14</u>	<u>2014-15</u>
Opening Balance	\$235,500	\$445,100	\$71,600	\$96,100
Revenue - Emission Tonnage Fees	<u>6,568,000</u>	<u>6,209,100</u>	<u>5,817,100</u>	<u>5,560,400</u>
Total Available	\$6,803,500	\$6,654,200	\$5,888,700	\$5,656,500
Authorized Expenditures:				
Division of Air, Waste, and Remediation and Redevelopment	\$6,932,900	\$6,932,900	\$6,568,100	\$6,568,100
Division of Enforcement and Science	106,900	106,900	107,000	107,000
Division of Customer and Employee Services	<u>185,000</u>	<u>185,000</u>	<u>417,500</u>	<u>417,500</u>
Authorized Expenditures	\$7,224,800	\$7,224,800	\$7,092,600	\$7,092,600
Expenditure Reductions	<u>-866,500</u>	<u>-642,200</u>	<u>-1,300,000</u>	<u>-1,500,000</u>
Total Expenditures	\$6,358,300	\$6,582,600	\$5,792,600	\$5,392,600
Closing Balance	\$445,200	\$71,600	\$96,100	\$63,900
Authorized positions	66.25	66.25	66.25	66.25

3. The number of tons of billable air emissions is anticipated to decrease due to continued air emission controls at stationary sources and implementation of controls at sources as required by federal regulations. Since the bill was introduced, DNR reestimated the number of tons of billable air emissions for calendar year 2013 (billable emissions in 2013-14) through 2018 (billable emissions in 2018-19). The DNR reestimate incorporated the most recent federal requirements for air emission controls by individual sources and compliance with national ambient air quality standards. In addition, DNR updated the estimates of tons of emissions for all federally-regulated sources in the state to reconcile with federal requirements and make the estimating methodology more accurate. In general, the biggest changes in the estimates are due to the longer amount of time that will be allowed before certain large emission sources are required to reach lower emissions under federal regulations. Table 2 shows the original and revised DNR estimates for tons of emissions for the next six years.

TABLE 2**DNR's Estimated Tons of Billable Air Emissions**

<u>Fiscal Year</u>	<u>Original Estimate</u>	<u>Revised Estimate</u>
2012-13	173,875	173,875
2013-14	160,488	162,899
2014-15	150,771	155,711
2015-16	128,065	151,589
2016-17	122,230	115,863
2017-18	104,058	108,954
2018-19	<u>102,514</u>	<u>107,828</u>
Total 2013-14 Through 2018-19	768,126	802,844

4. Under the revised estimate of billable tons, the revenue generated from the fee increase under the bill would be almost \$1.8 million in 2013-14 and \$3.7 million in 2014-15, an increase of \$2.2 million over the 2013-15 biennium from the administration's original estimate. Administration officials indicate this was an unintended effect of using the earlier tonnage estimates.

5. DNR officials indicate that the Department analyzed various fee scenarios, anticipated emission tons, and estimated revenues, in order to develop fee options that would provide approximately \$7.1 million of annual revenue and allow continuation of approximately the current authorized levels of funding during the next six years. However, the calculation does not recognize potential future increases for health insurance costs or other compensation. DNR chose the six-year time horizon to generate a sufficient revenue balance in the short-term, when emissions tons are greater, to last through the end of 2018-19, when emissions tons are expected to significantly decrease as shown in Table 2. DNR officials also indicate the six-year time frame is intended to demonstrate to EPA that fees are sufficient to administer a Title V program, and to provide a fee structure adequate to reduce the need to request legislative fee changes until six years from now instead of four.

6. States are required to demonstrate to EPA that the state emission fees for federally-regulated sources will be sufficient to support the Title V program for at least four years. DNR indicated that the Department has postponed submitting a required four-year fee adequacy demonstration report to EPA for several years. DNR last provided the report to EPA in 2005, to demonstrate adequacy of fees through 2007-08, in response to a Notice of Deficiency issued by EPA for the Title V air operation permit program in 2004. EPA identified several deficiencies in the Title V program, including two related to: (a) ensuring fees were sufficient to cover the costs of the state's Title V program; and (b) ensuring Title V program funds were used solely for Title V program costs. In February, 2006, EPA determined that Wisconsin had resolved each of the deficiencies, that it would not invoke sanctions against the program, and would not take over

administration of any portion of the state's operation permit program. DNR officials indicate the Department committed to submitting a fee adequacy demonstration report to EPA by July, 2011, but has delayed doing so because of: (a) staff vacancies and other program priorities; and (b) an inability to demonstrate adequate fee revenue to support program activities under the current fee schedule beyond 2012-13.

7. DNR officials indicate the Department will submit a four-year fee adequacy demonstration report to EPA if the 2013-15 biennial budget provides sufficient revenue. The report will have to include a description of the state's Title V fee structure, a description of the Title V permit program activities and costs, and a demonstration that the fee structure results in the collection of revenues sufficient to cover program costs. DNR officials indicate that if the Department can't demonstrate fee sufficiency, it is possible EPA would issue a Notice of Deficiency that would require the state to take action to provide sufficient fee revenues for the program or face sanctions such a reduction of federal highway funds to the state and an increase in requirements for sources in areas of the state designated as in nonattainment of national ambient air quality standards.

8. On April 23, 2013, Department of Administration (DOA) Secretary Huebsch sent a letter to the Co-Chairs of the Joint Committee on Finance with the Governor's recommended modifications to several items in the 2013-15 biennial budget bill, including the air fees for federally-regulated sources. The requested modification would retain the current \$35.71 fee per ton of billable emissions and add several annual fees for specific activities that require a federal Title V air operation permit. The fees would include: (a) \$3,000 annual base fee for all federally-regulated stationary sources; (b) \$960 annually if one or more federal maximum achievable control technology standards apply to the source; (c) \$960 annually if one or more federal new source performance standards apply to the source; (d) \$1,500 annually if federal prevention of significant deterioration permitting applies to the source; and (e) \$46,980 annually if the source is an electric generating source that includes a coal-fired generating unit and the source is not publicly owned. The administration estimates the recommended revision would generate an annual revenue increase of approximately \$2,291,900 as compared to the current law fees. Table 3 shows the estimated number of sources that would be subject to each fee, and the amount of revenue, and provides a brief description of each category of requested flat fee (Alternative 2).

TABLE 3

**Governor's Requested Revision in Federally-Regulated Air Permit Fees *
From DOA April 23, 2013, Letter to Joint Committee on Finance**

	<u>Fee Amount</u>	<u>Number of Facilities</u>	<u>Annual Revenue</u>
Base Fee	\$3,000	421	\$1,263,000
(1) MACT	960	269	258,240
(2) NSPS	960	127	121,920
(3) PSD	1,500	88	132,000
(4) EGU	46,980	11	<u>516,780</u>
Total Revenue Increase			\$2,291,940

* The revised request would maintain the emission tonnage fee at the current \$35.71 per ton.

(1) MACT = Maximum Achievable Control Technology. It refers to technology-based federal standards that apply to major sources of hazardous air pollutants. Emission limits vary based on the toxicity of the pollutant. Examples of sources are chemical manufacturing, industrial and commercial boilers and heaters, and iron and steel foundries.

(2) NSPS = New Source Performance Standards. It refers to technology-based federal standards issued to require new sources of air pollutants to minimize air emissions. The standards are typically specified for the type of equipment type and size rather than the amount of emissions of pollutants. Examples of sources are electric steam generating units, incinerators, manufacturing plants, and various printing and coating operations.

(3) PSD = Prevention of Significant Deterioration. This is the federal pre-construction permitting program for major sources or major modifications at a major source in attainment areas. Examples of sources are electric utilities, paper mills, and foundries.

(4) EGU = Electric Generating Unit. Includes privately and publicly owned electric utilities. They primarily burn coal or natural gas, and include some of the largest sources of air pollutants. The DOA proposal would limit application to privately owned coal-fired facilities.

9. The Committee could also consider the amount of fee per ton of emissions that would be needed to generate the same amount of revenue as was intended in the bill for a six-year planning time frame (Alternative 3). The fee rate per ton is shown in Table 4 and is based on the revised estimate of billable tons. It also incorporates the 4% annual increase in years after 2014-15.

10. Table 4 compares the estimated amount of revenue generated from federally-regulated sources during the six-year planning time frame under: (a) current law; (b) the tonnage fee amounts in the original bill; (c) the administration's recommended revision, including a combination of the current law \$35.71 per ton fee, and new flat fees; and (d) tonnage fee amounts under the revised estimate of billable tons. Table 4 shows that the current law fees would generate approximately \$28.7 million of revenue between 2013-14 and 2018-19. In comparison, a total of approximately \$42.4 million of revenue would be generated over the six years by either a scenario of revised tonnage fees that reflect the updated estimates of billable tons, or the Governor's recommended revision that combines the current tonnage fee and flat fees.

TABLE 4

A. Revenue Estimates Under Current Law, the Bill, and Revised Request

<u>Fiscal Year</u>	Current Law	Alternative 1 (Original Bill)		Alternative 2 (Administration's Revised Request)	Alternative 3 (Revised Fee Per Ton Needed)	
	Estimated Revenue <u>\$35.17 Per Ton</u>	Fee Per Ton	Estimated Revenue Under Original Fee Rates	Estimated Revenue - Current Tonnage Fee Plus Flat Fees	Fee Per Ton	Estimated Revenue Under Revised Fee Per Ton
2012-13	\$6,209,100					
2013-14	5,817,100	\$46.71	\$7,609,000	\$8,109,000	\$45.00	\$7,330,500
2014-15	5,560,400	59.81	9,313,100	7,852,300	51.03	7,945,900
2015-16	5,413,200	62.20	9,429,200	7,705,100	53.07	8,045,000
2016-17	4,137,500	64.69	7,495,200	6,429,400	55.19	6,394,900
2017-18	3,890,700	67.28	7,330,200	6,182,600	57.40	6,254,200
2018-19	<u>3,850,500</u>	69.97	<u>7,544,600</u>	<u>6,142,400</u>	59.70	<u>6,437,100</u>
Total Revenue 2013-14 Through 2018-19	\$28,669,400		\$48,721,300	\$42,420,800		\$42,407,600

B. Alternate Scenarios - Estimated Revenue Change to Current Law

<u>Fiscal Year</u>	<u>Original Bill</u>	Administration's Revised Request	Revised Fee Per Ton Scenario
2013-14	\$1,791,900	\$2,291,900	\$1,513,400
2014-15	3,752,700	2,291,900	2,385,500
2015-16	4,016,000	2,291,900	2,631,800
2016-17	3,357,700	2,291,900	2,257,400
2017-18	3,439,500	2,291,900	2,363,500
2018-19	<u>3,694,100</u>	<u>2,291,900</u>	<u>2,586,600</u>
Total Change to Current Law 2013-14 Through 2018-19	\$20,051,900	\$13,751,400	\$13,738,200
Total Change to Current Law 2013-14 and 2014-15	\$5,544,600	\$4,583,800	\$3,898,900

11. Table 5 shows the anticipated revenue and expenditures under the administration's recommended revision in the fee structure for federally-regulated air permit sources. It is anticipated revenues would be sufficient for expenditure authority under the bill, and would leave a \$1.8 million account balance at the end of 2014-15. Administration and DNR officials anticipate the balance would decrease in subsequent years as billable tons of emissions decline.

TABLE 5

**Federally-Regulated Air Operation Permits
Revenues and Expenditures Under the Administration's Recommended Revisions to the Bill**

	2011-12 <u>Actual</u>	2012-13 <u>Estimated</u>	2013-14 <u>Revised</u>	2014-15 <u>Revised</u>
Opening Balance	\$235,500	\$445,100	\$71,600	\$1,088,000
Emission tonnage fees	\$6,568,000	\$6,209,100	\$5,817,100	\$5,560,400
Fee increase			<u>2,291,900</u>	<u>2,291,900</u>
Total Revenue	<u>\$6,568,000</u>	<u>\$6,209,100</u>	\$8,109,000	\$7,852,300
 Total Available	 \$6,803,500	 \$6,654,200	 \$8,180,600	 \$8,940,300
 Authorized Expenditures				
Division of Air, Waste, and Remediation and Redevelopment	\$6,932,900	\$6,932,900	\$6,568,100	\$6,568,100
Division of Enforcement and Science	106,900	106,900	107,000	107,000
Division of Customer and Employee Services	<u>185,000</u>	<u>185,000</u>	<u>417,500</u>	<u>417,500</u>
Authorized Expenditures	<u>\$7,224,800</u>	<u>\$7,224,800</u>	\$7,092,600	\$7,092,600
 Expenditure Reductions	 <u>-866,500</u>	 <u>-642,200</u>	 <u>0</u>	 <u>0</u>
Total Expenditures	<u>\$6,358,300</u>	<u>\$6,582,500</u>	\$7,092,600	\$7,092,600
 Closing Balance	 \$445,200	 \$71,700	 \$1,088,000	 \$1,847,700
 Authorized positions	 66.25	 66.25	 66.25	 66.25

12. Some level of fee increase could be viewed as necessary to continue current workload in a manner that demonstrates to EPA that the state will collect sufficient revenues from federally-regulated sources to adequately administer the Title V program for at least the coming four years. The \$35.71 fee per ton of billable emissions has been constant since 1999-2000. It could be argued that it is reasonable to increase revenue by some amount to recognize administrative cost increases of the past 12 years. If no revenue increase is provided, it is possible that EPA will issue a Notice of Deficiency for the program, and the state could face possible federal sanctions.

13. DNR officials indicate the rationale for the revised recommendation to provide a flat base fee in addition to retaining the current fee per ton of emissions is that some sources with large potential emissions that make the source subject to Title V requirements, have low actual emissions. These sources pay small fees under the program, but do generate workload for DNR. A flat base fee would recognize that the workload associated with regulation of a source is not directly linked to the amount of air emissions. In addition, the amount of air emissions is not directly linked to the size of the business. The additional flat fee categories would recognize that specific categories of federal regulatory activity generate additional workload for the Department. The large flat fee for

electric utilities would recognize that these sources are a very large workload for DNR.

14. It could be argued that the revised recommendation for a \$3,000 flat fee, and the associated flat fee components, provide an unnecessarily large fee increase for sources with low actual emissions. Under this argument, sources with low actual emissions would pay less under the current emissions tonnage fee structure than under the administration's revised recommendation for a flat fee.

15. It is uncertain how EPA would respond to a revenue increase that might be sufficient to fund current programs for two years, but not for the next four years. It is likely DNR would be unable to demonstrate to EPA that the fee structure will be adequate to administer the program for four years.

16. If the tonnage fees included in the original bill were adopted (Alternative 1), this would generate a revenue increase over current law of \$5,544,600 (\$1,791,900 in 2013-14 and \$3,752,600 in 2014-15), in comparison with the \$3,300,000 originally estimated by the administration.

17. The Committee could choose to approve the administration's revised recommendation to maintain the current \$35.71 per ton fee and add the \$3,000 base fee and additional flat fees for various activities (Alternative 2).

18. If the Committee wishes to maintain the current structure of assessing federally-regulated sources a tonnage fee, but increasing the fee per ton to levels estimated to be sufficient to maintain current program expenditures for the next six years, it could approve the structure of revised tonnage fees shown in Table 4 (Alternative 3). This would be consistent with the Governor's original recommendation, but adjusted to reflect the more recent emissions tonnage estimates.

19. Consideration could be made of maintaining the current structure of assessing federally-regulated sources a tonnage fee, but increasing the fee per ton to levels estimated to be sufficient for the next four years (Alternative 4) rather than six years. This could be done by establishing the tonnage fee at the amount expected to provide approximately \$7.1 million in annual revenues. This could be done by establishing four years of fixed fee amounts per ton in the statute, with the fee in 2016-17 remaining in effect in subsequent years (Alternative 4a), or by adding a factor in years after 2016-17 to make an annual adjustment according to the consumer price index change that used to exist prior to the year 2000 (Alternative 4b). This could help DNR provide a four-year fee sufficiency demonstration to EPA, but likely would not be sufficient to continue current expenditure levels in 2017-18 and 2018-19. Table 6 shows the fee per ton amounts that would be needed under these options, and the anticipated revenue in each of 2013-14 through 2018-19.

<u>Fiscal Year</u>	<u>Alternative 4a -- Four-Year Fee Scenario</u>		<u>Alternative 4a - Four-Year Fee Scenario Plus CPI</u>	
	<u>Fee Per Ton</u>	<u>Estimated Revenue</u>	<u>After 2017 Fee per Ton</u>	<u>Adjustment Estimated Revenue</u>
2013-14	\$43.59	\$7,100,800	\$43.59	\$7,100,800
2014-15	45.60	7,100,400	45.60	7,100,400
2015-16	46.84	7,100,400	46.84	7,100,400
2016-17	61.28	7,100,100	61.28	7,100,100
2017-18	61.28	6,676,700	62.38*	6,796,900
2018-19	61.28	<u>6,607,700</u>	63.57*	<u>6,854,400</u>
Total Revenue 2013-14 Through 2018-19		\$41,686,100		\$42,053,000
Total Change 2013-14 Through 2018-19		\$13,016,700		\$13,383,600
Total Change to Current Law 2013-15 Biennium		\$2,823,700		\$2,823,700

*Estimated.

20. If the current fee levels are maintained, the Committee could choose to delete 16 positions and associated expenditure authority from the DNR appropriations funded from air emissions fees, in the same proportions as the appropriations are to the total funding for federally-regulated sources (Alternative 5). However, current fee levels are expected to be insufficient to demonstrate revenue sufficiency to EPA.

ALTERNATIVES

1. Take no action. This would approve the Governor's recommendation to increase the emission fee for federally-regulated sources, as technically-corrected, to \$46.71 per ton billed in 2014 (for calendar year 2013 emissions) and \$59.81 per ton in 2015 (for calendar year 2014 emissions). Specify that the fee billed in years after 2015 would increase 4 percent per ton from the amount billed in the previous year. Repeal the exemption from the 5,000 tons per year cap currently allowed for major utilities subject to a federal acid rain regulatory program. Reestimate the revenue increase over current law as \$5,544,600 during the biennium instead of \$3,300,000 under the bill, including \$1,791,900 in 2013-14 (instead of \$1,500,000 under the bill) and \$3,752,600 in 2014-15 (instead of \$1,800,000 under the bill).

ALT 1	Change to Bill Revenue
PR-REV	\$2,244,600

2. Approve the administration's revised recommendation to retain the current \$35.71 fee per ton of billable emissions and add the following annual fees: (a) \$3,000 base fee for all federally-regulated stationary sources; (b) \$960 if one or more federal maximum achievable control technology standards apply to the source; (c) \$960 if one or more federal new source performance standards apply to the source; (d) \$1,500 if federal prevention of significant deterioration permitting applies to the source; and (e) \$46,980 if the source is an electric generating source that includes a coal-fired generating unit and the source is not publicly owned. This would provide estimated revenue of \$2,291,900 annually over current law (an increase from the bill of \$791,900 in 2013-14 and \$491,900 in 2014-15).

ALT 2	Change to Bill Revenue
PR-REV	\$1,283,800

3. Modify the Governor's recommendation, to establish a fee of \$45 per ton in 2014 (for calendar year 2013 emissions), \$51.03 per ton in 2015 (for calendar year 2014 emissions) and to increase the fee by 4% each year thereafter. Estimate the revenue increase over current law as \$3,898,900 during the biennium instead of \$3,300,000 under the bill, including \$1,513,400 in 2013-14 (an increase of \$13,400 from the bill) and \$2,385,500 in 2014-15 (an increase of \$585,500 from the bill). (This would be expected to adequately fund the program for six years.)

ALT 3	Change to Bill Revenue
PR-REV	\$598,900

4. Modify the Governor's recommendation, to instead establish a fee of \$43.59 per ton in 2014 (for calendar year 2013 emissions), \$45.60 per ton in 2015 (for calendar year 2014 emissions), \$46.84 per ton in 2016 (for calendar year 2015 emissions), and \$61.28 per ton in 2017 (for calendar year 2016 emissions). Estimate the revenue increase over current law as \$2,823,700 during the biennium instead of \$3,300,000 under the bill, including \$1,283,700 in 2013-14 (a decrease of \$216,300 from the bill) and \$1,540,000 in 2014-15 (a decrease of \$260,000 from the bill). In addition, choose one of the following options for the fee amount after 2017:

a. Maintain the \$61.28 fee per ton.

ALT 4a	Change to Bill Revenue
PR-REV	- \$476,300

b. Specify that the \$61.28 fee per ton would change in years after 2017 according to the same consumer price index adjustment that existed prior to 2000.

ALT 4b	Change to Bill
	Revenue
PR-REV	- \$476,300

5. Maintain the current law fees. In addition, delete \$1,500,000 PR in 2013-14 and \$1,800,000 PR in 2014-15 as follows: (a) \$1,306,600 in 2013-14 and \$1,568,000 in 2014-15 with 12.0 positions in 2013-14 and 14.0 positions in 2014-15 in the Bureau of Air Management; (b) \$80,900 in 2013-14 and \$97,000 in 2014-15 with 0.6 position in the management of the Division of Air, Waste, and Remediation and Redevelopment; (c) \$22,500 in 2013-14 and \$27,000 in 2014-15 with 0.2 position in the Division of Enforcement and Science; and (d) \$90,000 in 2013-14 and \$108,000 in 2014-15 with 1.2 positions in the Division of Customer and Employee Services.

ALT 5	Change to Bill		
	Revenue	Funding	Positions
PR-REV	- \$3,300,000	- \$3,300,000	- 16.00

Prepared by: Kendra Bonderud