

## **DRAFT HAZARDOUS WASTE USER CHARGE (HWUC) STAKEHOLDER WORKGROUP MEETING SUMMARY**

May 24, 2012

Meeting Time and Location: 1:00-4:00 p.m., Rachel Carson conference room, Constitution Hall, Lansing, Michigan

Meeting Attendees: 11 stakeholders at table; 3 stakeholders on phone (Allison Harrison for Terry Burns); 3 Department of Environmental Quality (DEQ), Resource Management Division (RMD), staff at table; and Ronda Blayer on phone. Jim Sygo joined the meeting.

Handouts: Hazardous Waste Program Summary Revision; Draft Summary of Hazardous Waste Program Staffing Levels by Fiscal Year; and What We Have Heard/Models.

Jack Schinderle, Waste Tracking Unit Chief, welcomed the workgroup and gave an overview of the presentations to be provided by DEQ staff. Jack explained the FTE summary and indicated that FY 13 and 14 were not available at this time. The summary provided FY11 and 12 numbers. 42 FTEs with 4 vacancies. A question was raised about the increase in the Environmental Pollution Prevention Fund (EPP). Jim indicated that a \$2 million one-time addition was placed into the EPP to get the program through to the sunset. No general funds (GF) was included in the FY11 and 12 hazardous waste budgets. Andy Such shared the dollar amounts that the program received from the EPP and the HWUCs, as well as what the solid waste program and other divisions received. Pat Zombo asked if there was any possibility to divert funds over to the hazardous waste program. Jim explained the history of the funding and that until legislation is amended that there is no possibility to divert funds.

Scott Maris believes the hazardous waste program is important, more important than the waste reduction programs (C3, Neighborhood Benefits, EPA Emission, environmental conferences, awards, support for small entities) that are receiving the \$10/ton funding from the disposal and solidification fee. Lenora Strohm asked about the reasoning in the late 1980s for instituting these other programs. Jim provided the history to the best of his memory. The members were in agreement that it will be tough to capture more revenue from the regulated community and that one day the legislature will need to review all the legislation and reassign funds. Jim explained that the group needs to focus on the issue at hand with the reality (funding levels, sunsets) that currently exists.

Scott asked what the target amount is to continue the hazardous waste program and the cost per fully-loaded FTE. About \$4 million and \$150,000, respectively. Lenora clarified that the program is now charged more for IT, rent, etc. which is resulting in the need for additional revenue.

Pat would like to design a fee where 25% of the incoming revenue is not taken up with administration costs.

There was discussion about late payment penalties. The current 5%/month penalty is not large enough. Andy suggested making the penalty up to double. Members shared that some programs send out a blank format and the company fills in the blanks. Pat suggested a fee program that based on volume information from manifests data. Lenora believes a foundation fee would still be necessary. Jason Geer shared that administration costs might still remain high even with a self-implementing system as there are core tasks that are involved and staff will need to oversee them.

The group reviewed the number of generators from an earlier handout.

Jack again brought up the idea of selling labels. Andy was not in favor of the idea as it would create more work for the DEQ. Members looked at the model on page four of the handout. Lenora and Scott were not in favor of a label as it would be another regulation. Maggie agreed as she is familiar with a bar code system. Mark Arent has a bar code system that would not interface with a label idea.

Andy will work with Jason and provide opinions on the various models. He would like to have dollar amounts that may be received by each of the models. Andy asked Jack to submit any other ideas to him so those ideas can be reviewed at the same time.

Bill Lievense shared the efficiencies staff had previously provided such as reducing two manifest staff by eliminating LIW manifests, etc.

Maggie wished to discuss the license fee ideas and the level of staff involved. The TSDFs are more complicated. De provided an overview of the TSDF models included in the handout. She also shared that corrective action and the controls involve staff time.

Mike commented on the TSDF model regarding application fees, public hearing fees, etc. He suggested expanding fees to the used oil community.

Lenora reiterated that it would be important to research avenues other than generators to pay for the program.

Report:

Lenora provided an overview of the outline that she developed to the group. Lenora felt a detailed approach would assist the group as a basis for the report. The order of the items may be moved around. Some of the items may be marked as attachments and removed from the report body. Andy suggested a narrative explaining the situation early in the process, attachments supporting the narrative, and then an executive summary.

Future Meeting Dates:

June 14, 2012, was the last meeting date scheduled. Additional meetings were scheduled for June 28, July 12, and July 26, 2012.

Adjourned at 3:15 p.m.