



****CONFIDENTIAL****

August 31, 2016

The Honorable Edmund G. Brown, Jr.
 Governor, State of California
 State Capitol
 Sacramento, CA 95814

SUBJECT: SB 839 (COMMITTEE ON BUDGET AND FISCAL REVIEW) RE: ELIMINATION OF FLAT FEE OPTION FOR HAZARDOUS WASTE PERMIT APPLICATIONS REQUEST FOR VETO

Dear Governor Brown:

The California Chamber of Commerce and the organizations listed below must strongly urge your **VETO** of **SB 839 (COMMITTEE ON BUDGET AND FISCAL REVIEW)**. Importantly, our objections to **SB 839** pertain only to the proposal to eliminate the flat permitting fee option for permit applicants seeking to obtain a hazardous waste permit from DTSC. The CalChamber has labeled this proposal a **JOB KILLER**. The proposal will instead require applicants to enter into an uncapped reimbursement agreement with DTSC, which is akin to handing DTSC a "blank check" to process permit applications. The cost for obtaining a permit would be unpredictable and unsustainable, and would thus discourage investment in facility upgrades and renewals for critical hazardous waste facilities.

Under DTSC's proposed language, the cost to obtain a permit renewal or modification would be limitless and thus, further investment in critical hazardous waste infrastructure upgrades will falter. California's extensive manufacturing sector and the larger California economy depend upon sustaining hazardous waste system that can efficiently handle waste in a manner that protects both Californians and their environment. For example, approximately 85 percent of the waste deposited at one of the largest hazardous waste facilities in California is treated as hazardous waste only in California. If and when it leaves the state because of unsustainable permitting processes like the one the budget trailer language proposes, the waste is then treated as non-hazardous and thus subject to few, if any, environmental protocols. For this reason, we strongly support the treatment, storage, and disposal of hazardous waste in California, and we further believe that we have a collective obligation as Californians to do so for California-generated waste deemed hazardous pursuant to California's more stringent statutory and regulatory requirements.

Unfortunately, DTSC's proposed language would discourage these facilities from further modernizing and improving their infrastructure by giving DTSC the authority to simply charge whatever it deems fit for purposes of processing a permit application, notwithstanding the DTSC's own self-acknowledged deficiencies that exist within its current permitting program. Additionally, in the event certain fees are disputed, the question then arises whether DTSC may obtain *additional* fees for handling the fee dispute on top of those fees the department is already demanding for permit processing. DTSC's proposal would create a process that would invite potentially intractable disputes, add further delays to the permitting process, and impose extraordinary, unjustified, and unpredictable costs on the permit applicant.

For these reasons, we urge your **VETO** of **SB 839** (Committee on Budget and Fiscal Review) when it comes before you for consideration.

Sincerely,



Anthony Samson, Policy Advocate
California Chamber of Commerce

On behalf of the following organizations:

Alhambra Chamber of Commerce
Automotive Specialty Products Alliance
California Business Properties Association
California Cement Manufacturers Environmental Coalition
California Manufacturers and Technology Association
California Metals Coalition
California Small Business Alliance
Camarillo Chamber of Commerce
Chemical Industry Council of California
Clean Harbors Environmental Services, Inc.
Consumer Specialty Products Association
Fontana Chamber of Commerce
El Dorado County Chamber of Commerce
Greater Fresno Area Chamber of Commerce
Industrial Environmental Association
Institute of Scrap Recycling Industries
Metal Finishing Association of Northern California
Metal Finishing Association of Southern California
Norco Area Chamber of Commerce
North Orange County Chamber
Oxnard Chamber of Commerce
Palm Desert Area Chamber of Commerce
Rancho Cordova Chamber of Commerce
Redondo Beach Chamber of Commerce & Visitors Bureau
Safety-Kleen, Inc.
San Diego Regional Chamber of Commerce
South Bay Association of Chambers of Commerce
Southwest California Legislative Council
Simi Valley Chamber of Commerce
Torrance Chamber of Commerce
West Coast Lumber & Building Material Association
Western Plant Health Association
Western States Petroleum Association