

Economic and Fiscal Impact Analysis Attachment to STD 399

Generator Improvements Rule

Department of Toxic Substances Control Reference Number: R-2023-08R

Summary

This economic and fiscal impact analysis details an assessment of the estimated added costs and benefits to the hazardous waste generators in California that are impacted by the regulatory provisions to conform with certain more stringent requirements adopted by United State Environmental Protection Agency's (U.S. EPA) hazardous waste Generator Improvements Rule (GIR). This analysis also includes the fiscal impact to state and local regulatory entities. The GIR focused on enhancing protection of human health and the environment and improving the efficiency of hazardous waste generator standards.

Background

The GIR promulgated more than 60 revisions and new provisions to the federal hazardous waste generator program. The primary objectives of the GIR were to:

- Reorganize the hazardous waste generator regulations;
- Provide a better understanding of how the regulatory program works;
- Address gaps in the existing regulations to strengthen environmental protection;
- Provide greater flexibility to generators to manage their waste in a safe and cost-effective manner; and
- Make technical corrections and conforming changes to address inadvertent errors and remove obsolete references.

California is authorized by U.S. EPA to administer the federal hazardous waste program on behalf of U.S. EPA. The GIR regulations do not take effect in California until DTSC adopts them, or parts thereof, through the rulemaking process or through statutory amendments.

Because California is an authorized state, California's hazardous waste program cannot be less stringent than the federal hazardous waste program and must be at least equivalent to the federal program for California to maintain its authorization. Health and Safety Code section 25159 requires DTSC to revise its regulations as necessary to maintain authorization to administer the hazardous waste program on behalf of U.S. EPA.

DTSC has identified the following seven provisions in the GIR as more stringent than existing state requirements and will adopt these mandatory provisions via rulemaking:

- 1) New renotification requirements [found in 40 CFR 262.18(d)]
- 2) New labeling and marking requirements [found in 40 CFR 262.15(a)(5), 262.16 (b)(6), 262.17(a)(4) & (a)(5)]
- 3) New pre-transportation marking requirements [found in 40 CFR 262.32(b)]
- 4) New large quantity generator closure requirements [found in 40 CFR section 262.17(a)(8)]
- 5) Additional requirements for incompatible wastes in satellite accumulation areas (SAAs) [found in 40 CFR section 262.15(a)(3)]

- 6) New requirements added to the preparedness, prevention, and emergency procedures for small quantity generators and large quantity generators including:
 - a) Documenting that arrangements with local authorities were made or attempted to be made by the generator [found in 40 CFR, section 262.16(b)(8)(iv) and 262.256] and
 - b) A quick reference guide that summarizes a large quantity generator's contingency plan [found in 40 CFR section 262.262(b)]
- 7) Additional requirements for containers holding ignitable and reactive wastes for large quantity generators [found in 40 CFR section, 262.17(a)(1)(vi)(B)]

California’s existing generator requirements differ from the GIR regarding generator categories.¹ The GIR specifies three generator categories: large quantity generators (LQG), small quantity generators (SQG), and very small quantity generators (VSQG). These generator categories are defined based on the amount of hazardous waste generators generate in a calendar month. The GIR replaced the previously used term “conditionally exempt small quantity generator” with “very small quantity generator.” Because California’s hazardous waste regulations never included conditions for exemption for a conditionally exempt small quantity generator, it will likewise not include those for VSQGs. California does not regulate VSQGs differently than SQGs.

This rulemaking proposes to apply many, but not all, of the GIR changes to both RCRA and non-RCRA hazardous wastes in California. The purpose is to mitigate potential confusion for a generator that generates both types of hazardous wastes, who may face challenges interpreting which standards apply to RCRA and non-RCRA hazardous. This analysis will take into account impacts to generators of both RCRA and non-RCRA hazardous wastes, where applicable, to estimate the economic impact.

This analysis relies primarily on U.S. EPA and state ID numbers, notifications, biennial reporting, and annual electronic questionnaire data compiled by Hazardous Waste Tracking System (HWTS)² to estimate the number of LQGs and SQGs in California and the quantity of hazardous wastes generated. The lifetime of the impacts for these regulations is set to five years. The data are based on information reported by hazardous waste generators, and they represent the most comprehensive sources of information available on generators of hazardous waste in California.

The following impacts were identified and used to estimate the new economic impacts to generators with the adoption of the proposed regulations.

Baseline (existing) requirements for LQGs	New proposed regulation requirements for LQGs
<ul style="list-style-type: none"> • Re-notification requirements (Biennial reporting) • Labeling and marking requirements • Pre-transportation marking requirements • Facility closure requirements • Ignitable and reactive wastes requirements 	<ul style="list-style-type: none"> • Re-notification requirements (Option to renotify using Form 8700-12) • Updated labeling and marking requirements (Includes hazard content for tanks and labeling for containment buildings)

¹ See proposed regulations definitions for large quantity generator and small quantity generator in the Initial Statement of Reasons

² The biennial reporting database is the DTSC’s primary repository for waste generation and management information reported by LQGs, while Hazardous Waste Tracking System (HWTS) is the program management database that DTSC uses to track manifested hazardous waste.

Baseline (existing) requirements for LQGs	New proposed regulation requirements for LQGs
<ul style="list-style-type: none"> • Emergency response procedures requirements • Container holding ignitable and reactive wastes requirements 	<ul style="list-style-type: none"> • Updated pre-transportation marking requirements (Includes U.S. EPA hazardous waste number) • Updated facility closure requirements (Use of Form 8700-12 for closure activities) • Special standards for incompatible wastes in satellite accumulation areas • Preparedness, prevention, and emergency procedure requirements (Document arrangements with local authorities and have quick reference guide on site) • Additional condition for containers holding ignitable and reactive wastes
Baseline (existing) requirements for SQGs	New proposed regulation requirements for SQGs
<ul style="list-style-type: none"> • One-time notification requirement • Labeling and marking requirements • Pre-transportation marking requirements • Satellite accumulation area requirements • Emergency response procedure requirements 	<ul style="list-style-type: none"> • Re-notification requirements (Renotify every four years using Form 8700-12) • Updated labeling and marking requirements (Includes hazard content for tanks) • Updated pre-transportation marking requirements (Includes U.S. EPA hazardous waste number) • Special standards for incompatible wastes in satellite accumulation areas • Preparedness, prevention, and emergency procedure requirements (Document arrangements with local authorities)

The overall tonnages of hazardous waste are relevant to estimating the cost of managing this waste in compliance with the proposed regulation. Biennial reporting and annual verification questionnaire data are used to access tonnage of hazardous waste generated by LQGs and SQGs, and hazardous waste tonnage generated by LQGs and SQGs are compiled from the DTSC's HWTS.

California's hazardous waste generator requirements specifies that a generator must count all hazardous waste generated, except for excluded or exempt wastes, in a calendar month to determine their generator category. Clean-up residues from spills of acute hazardous waste are not distinguished from acute hazardous waste and must be counted as acute hazardous waste. For example, if a

generator generates more than 1 kg of clean-up residues from a spill of acute hazardous waste in a calendar month, the generator has exceeded the 1 kg threshold for accumulation of acute hazardous waste and is considered a large quantity generator. Additionally, California recognizes a third type of hazardous waste, referred to as extremely hazardous waste.³ Therefore, under California’s hazardous waste generator program, generators need to count the amounts of non-acute, acute, and extremely hazardous waste that they generate in a calendar month when making their generator category determination.

Table 1 presents the labor costs assumptions made for specific job classifications labors that will be responsible for complying with the new hazardous waste management requirements under the GIR mandatory provisions as outlined in this analysis.

DTSC used the costs that U.S. EPA projected in its regulatory impact analysis for the GIR for all the assumptions made in this analysis and corrected the values by factoring in the U.S. Bureau of Labor Statistics Employment Cost Index.⁴

Table 1. Specific personnel labor costs per hour⁵

Personnel impacted by the proposed regulations	Hourly labor costs (\$ per hour)
Hazardous waste facility managers	\$ 86.15 x 1.237 = \$ 106.57
Hazardous waste facility technicians	\$ 42.41 x 1.237 = \$ 52.46
IT	\$ 70.04 x 1.237 = \$ 86.64
Office clerks	\$ 22.66 x 1.237 = \$ 28.03
Lawyers	\$ 98.11 x 1.237 = \$ 121.36

Economic Impact Statement

A. Estimated Private Sector Cost Impacts

3. Enter the total number of businesses impacted: Approximately 94,000

Describe the types of businesses (Include nonprofits):

DTSC estimates the number of businesses that generate hazardous waste and the quantity of hazardous wastes generated in California for this analysis based on the data tabulated from DTSC’s HWTS.⁶ The number of LQGs is well-defined because LQGs are required to report their hazardous waste generation activities on a biennial basis to DTSC. There is uncertainty in estimating the number of SQGs in California because SQGs are currently only required to submit a one-time notification of their hazardous waste generation activities to DTSC to obtain an EPA and/or State ID number for

³ “Extremely hazardous waste” means any hazardous waste or mixture of hazardous wastes which, if human exposure should occur, may likely result in death, disabling personal injury or serious illness caused by the hazardous waste or mixture of hazardous wastes because of its quantity, concentration or chemical characteristics. (22 CCR § 66260.10)

⁴ <https://www.bls.gov/eci/>, data last accessed on February 8, 2023.

⁵ Based on 2015 hourly labor cost projected by U.S. EPA federal regulatory analysis for the GIR, with inflation rate calculated in the rate.

⁶ The data was last pulled on May 5, 2022.

purposes of disposing of hazardous waste, but they are not required to re-notify subsequent changes to their activities.

Based on the 2021 HWTS reporting data, there are a total of 94,441 impacted businesses. Of those businesses, 23,862 are LQGs and 70,579 are SQGs (See Table 2). Of the total businesses, fifty-three percent of the businesses are considered as small businesses.⁷ The remaining forty-seven percent of the total businesses is considered to be a typical business.

Table 2 shows the total number of generators for each category in California from 2017-2021 based on reporting data DTSC tabulated for Hazard Waste Tracking System (HWTS) report.

Table 2. Number of LQGs and SQGs in California from 2017-2021

Year	Number of LQGs	Number of SQGs	Total number HW generators in California
2017	19,871	78,351	98,222
2018	20,172	79,980	100,152
2019	20,679	78,208	98,887
2020	19,598	72,093	91,691
2021	23,862	70,579	94,441

4. The number of businesses created or eliminated within the State of California

Created: Unknown, eliminated: None

The proposed regulations will not affect the number of businesses that generate hazardous waste. Additionally, the proposed regulations are intended to make the existing hazardous waste generator regulations clearer thus improving compliance but are not expected to have any impact on the quantity of businesses that exist in California beyond the normal rate of businesses opening and closing due to other reasons.

DTSC anticipates that the numbers of businesses that are LQGs in the future will not change significantly, based on the data trend observed for the timespan 2017 to 2021 HWTS reporting. Under existing regulations, DTSC observes that there is a trend at approximately seven percent decrease of SQGs closing their business based on the HWTS data gathered for the past five years, from 2017 to 2021 (**Table 2**). However, DTSC does not anticipate any significant change to the existing trend under the proposed regulations which intend to provide clearer and better understanding for managing hazardous waste.

6. The number of jobs created or eliminated within the State of California

Created: Unknown, eliminated: None

⁷ Based on the data from the 2022 electronic Verification Questionnaire (eVQ), which captures employee count information of the hazardous waste generators by their ID numbers.

DTSC does not anticipate any job creation or elimination within the state of California. One of the intents of the proposed regulations is to provide a provide greater flexibility for generators to manage their waste in a safe and cost-effective manner. DTSC predicts that user-friendly improvements made to the hazardous waste regulations would provide a better understanding and implementation of the regulations for the businesses that are impacted. As a result, it is more likely that businesses will stay in business under the improved regulations as proposed. At this time, DTSC cannot estimate the number of jobs that might be created or eliminated as a result of the proposed regulations.

California is an authorized by U.S. EPA to implement California’s hazardous waste program in lieu of the federal hazardous waste program.⁸ California’s hazardous waste program cannot be less stringent than the federal hazardous waste program and must be at least equivalent to the federal hazardous waste program for California to maintain its authorization. Therefore, the primary intent of the proposed regulations is to adopt requirements from the GIR that are more stringent than California’s existing hazardous waste generator requirements to ensure the California hazardous waste program is no less stringent than the federal hazardous waste program.

B. Estimated Costs

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime?

DTSC estimated the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime based on the proposed regulations and tasks LQGs and SQGs will implement to comply with the new requirements.

Table 3 is a summary of initial costs and recurring costs for the SQGs and LQGs with the proposed regulations. These are the added costs associated with hazardous waste generators to comply with new regulations under the proposed regulations. DTSC must adopt these new requirements, which are more stringent than existing requirements in California, set forth by U.S. EPA to maintain state authorization. Of the generators, fifty-three percent of the generators are assumed to be small businesses (See **A.3**). DTSC assumes that fifty-three percent of SQGs that are small businesses will incur one-time cost of \$27.02 per SQG and recurring cost of \$7.24 per SQG. Similarly, DTSC assumes that fifty-three percent of LQGs that are small businesses will incur one-time cost of \$247.06 per LQG and recurring cost of \$950.66 per LQG for the lifetime of this analysis.

Table 3. Total initial and recurring costs for SQGs and LQGs to comply with the new requirements in the proposed regulations.

Itemized costs	Initial costs for SQGs	Recurring costs for SQGs	Initial costs for LQGs	Recurring costs for LQGs
Renotification	\$ -	\$ -	\$ -	\$ -
	\$ 720,212.00	\$ 511,126.00	\$ -	\$ -
Labeling/ Marking	\$ -	\$ -	\$ -	\$ -

⁸ DTSC is required under Health and Safety Code section 25159 to adopt regulatory requirements in the GIR that are more stringent than existing regulations to maintain authorization to administer the state hazardous waste program in lieu of the federal hazardous waste program.

Pre transport marking	\$ -	\$ -	\$ -	\$ -
Closure	\$ -	\$ -	\$ 62,323.00	\$ 249,291.00
Preparedness, prevention, and emergency response	\$ -	\$ -	\$ 5,207,011	\$ 3,100,704
	\$ 1,187,138.00	\$ -	\$ -	\$ -
Ignitable and reactive waste	\$ -	\$ -	\$ 625,900.00	\$ -
Total costs	\$ 1,907,350.00	\$ 511,126.00	\$ 5,895,234.00	\$ 3,349,995
Total costs (5 years)	\$ 11,663,705			
Annualized total costs per business	\$ 27.02	\$ 7.24	\$ 247.06	\$ 140.39
Total costs per business for lifetime	\$ 27.02	\$ 7.24	\$ 247.06	\$ 701.95

3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements.

Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted.

Table 4 summarizes the breakdown items and costs associated with LQG and SQG re-notification, LQG facility closure notification, and LQG and SQG paperwork and recordkeeping for emergency preparedness and prevention activities as detailed in the Appendix. DTSC estimates annualized one-time cost associated with such requirements for each generator to be \$225.72 and recurring cost to be \$10.53, totaling \$236.25 annually and \$278.37 (225.72 + (236.25*4)) for the lifetime of this analysis.

Table 4. Itemized costs associated with programming, recordkeeping, reporting, and other paperwork required for LQGs and SQGs under the proposed regulations

	Generator category	Number of affected facilities	One-time cost (\$)	Recurring cost (\$)
Renotify	SQG (onetime new)	12,135	\$ 59.35	\$ -
	SQG (recur every 4 years)	12,135	\$ -	\$ 10.53
Facility closure notification	LQG	525	\$ 118.71	\$ -

Emergency response	LQG contact local authority	23862	\$ 16.82	\$ -
	LQG recordkeeping	23862	\$ 14.02	\$ -
	SQG contact local authority	70,579	\$ 16.82	\$ -
Total			\$ 225.72	\$ 10.53
Total			\$ 236.25	

5. Are there comparable federal regulations? Yes

Explain the need for state regulation given the existence or absence of federal regulations.

U.S. EPA may authorize states to administer the RCRA Subtitle C hazardous waste program on behalf of U.S. EPA. Regulations adopted by U.S. EPA under the authority provided by RCRA do not take effect in authorized states until they are incorporated by that state into their statutes and/or regulations. California, as an authorized state, and DTSC, as the implementing agency, was authorized by U.S. EPA to administer the federal hazardous waste program on behalf of U.S. EPA on August 1, 1992. The GIR regulations do not take effect in California until DTSC adopts them, or parts thereof, through the rulemaking process or through statutory amendments.

DTSC is required under Health and Safety Code section 25159 to adopt regulatory requirements in the GIR that are more stringent than existing regulations to maintain authorization to administer the state hazardous waste program in lieu of the federal hazardous waste program. Because California is an authorized state, California's hazardous waste program cannot be less stringent than the federal hazardous waste program and must be at least equivalent to the federal hazardous waste program for California to maintain its authorization. The proposed regulations in this package are requirements from the GIR that are more stringent than California's existing hazardous waste generator requirements, which DTSC must adopt to ensure the California hazardous waste program is no less stringent than the federal hazardous waste program.

DTSC opted to adopt not all but many of the GIR mandatory provisions to also apply to both RCRA and non-RCRA hazardous wastes in California. The purpose is to mitigate potential confusion for a generator that generates both types of hazardous wastes, who may face challenges interpreting which standards apply to RCRA and non-RCRA hazardous. As a result, there is an added cost of \$ 8,848,494 to businesses to comply with the new requirements for the management of non-RCRA waste.

C. ESTIMATED BENEFITS

1. Briefly summarize the benefits of the regulation, which may include (among others) the health and welfare of California residents, worker safety and the state's environment.

DTSC fulfills the requirement as an authorized state by adopting federal regulations that are more stringent than California's hazardous waste program to maintain U.S. EPA's authorization. Furthermore, the proposed regulations aim to provide a better understanding of how the hazardous waste regulatory program works, address gaps in the existing regulations to strengthen environmental protection and make the regulations clearer by reorganizing them in a more user-friendly structure. Therefore, these proposed regulations aim to provide a better environmental protection and human health by improving the regulatory language and structure of the hazardous waste management requirements for generators to comply.

2. Are the benefits the result of specific statutory requirements?

DTSC is required under Health and Safety Code section 25159 to adopt regulatory requirements in the GIR that are more stringent than existing regulations to maintain authorization to administer the state hazardous waste program in lieu of the federal hazardous waste program.

3. What are the total statewide benefits from this regulation over its lifetime?

DTSC cannot estimate or quantify other total statewide benefits of these proposed regulations over its lifetime. However, requirements under these proposed regulations, such as SQG re-notification, additional information for labeling/marketing, LQG closure notification, emergency contact establishment with local authorities and quick reference guide, and an additional condition for ignitable and reactive waste, strengthen the management of hazardous waste and create a safer work environment for generator facilities. These new requirements will improve overall hazardous waste management that will protect the environment and human health for California.

4. Briefly describe any expansion of businesses currently doing business within the state of California that would result from this regulation.

DTSC cannot predict any expansion of businesses currently operating in California as a result of these proposed regulations. However, these proposed regulations aim to provide improved and clearer regulatory language and organization of the overall hazardous waste management standards for generators. DTSC anticipates that these proposed regulations will benefit the hazardous waste generators in managing their facilities, resulting in a potential increase in their business operations.

D. ALTERNATIVES TO THE REGULATION

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not.

The following alternative was not selected in the regulation. The recommended alternative is not listed here as it has already been addressed in previous sections of this analysis.

Alternative One: Requirements Apply to RCRA Hazardous Waste Only

DTSC evaluated the option to adopt the federal GIR regulations only for generators of RCRA hazardous waste that are managed in California. This alternative will limit the scope of hazardous waste requirements that generators must comply with under the GIR to generators of RCRA waste only, thus potentially lowering the costs associated with the new requirements, at \$2,815,011 for RCRA waste only compared to the total lifetime costs at \$11,663,705 for both RCRA and non-RCRA waste. The GIR was adopted by U.S. EPA under the authority of the Resource Conservation and Recovery Act and applies only to RCRA hazardous waste nationwide.

However, DTSC is opting to apply many of the proposed requirements to both RCRA and non-RCRA hazardous wastes in California. Although the cost impact to generators could be lowered if the new requirements only apply to the RCRA hazardous waste they generate, there is the potential for confusion by the generator regarding which regulatory standards they should comply with if they generate both types of hazardous wastes.⁹ There could also be a potential fiscal impact to the regulators that implement inspection and enforcement activities, due to different regulatory standards that generators of both RCRA and non-RCRA hazardous wastes must comply with. Therefore, DTSC did not choose this alternative.

⁹ Based on the DTSC HWTS reporting data for the year 2017-2021, only fifteen percent of the total hazardous waste generated by LQGs and only sixteen percent of the total hazardous waste generated by SQGs is RCRA hazardous waste.

Alternative Two: Do nothing.

The scope of the second alternative is to not adopt any of the more stringent provisions that U.S. EPA adopted as part of the GIR. Under this alternative, there will be no changes to the existing regulatory requirements and thus, no costs impact to generators. However, as an authorized state, California's hazardous waste program cannot be less stringent than the federal hazardous waste program and must be at least equivalent to the federal hazardous waste program for California to maintain its authorization. The proposed regulations in this package are requirements from the GIR that are more stringent than California's existing hazardous waste generator requirements, which DTSC must adopt to ensure the California hazardous waste program is no less stringent than the federal hazardous waste program. Therefore, no action will result in California not meeting its statutory obligations and possibly losing its authorization to implement California's hazardous waste program.

Although alternative one to the proposed regulations significantly reduces estimated economic impacts, alternative one creates potential confusion for generators regarding which regulatory standards they should comply with if they generate both types of hazardous wastes. More importantly, alternative one falls short in DTSC efforts to protect human health and the environment. Alternative two does not have any economic impact, but this alternative fails DTSC's efforts to protect human health and the environment and risks losing the state authority.

4. Rulemaking law requires agencies to consider performance standards as an alternative if a regulation mandates the use of specific technologies or equipment or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs?

The regulation does not mandate the use of specific technologies or equipment.

E. MAJOR REGULATIONS

5. Briefly describe the following:

The increase or decrease of investment in the state:

DTSC is not aware of any increase or decrease of investment in the state that will result from the implementation of the proposed regulations.

The proposed regulations are intended to provide generators a better understanding of the hazardous waste management requirements and aim to protect human health and environment by filling in gaps in the existing regulation. This could incentivize businesses to develop better hazardous waste management practices in their facilities, thereby improving operations and potential investment in the state.

The incentive for innovation in products, materials, or processes:

As of 2022, DTSC cannot quantify any incentive for innovation in hazardous waste management products, materials or processes that would result from the proposed regulations in California. The proposed regulation could create a better process for hazardous waste management activities due to the more user-friendly regulatory framework.

The benefits of the regulations, including but not limited to benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency.

The regulations will increase protection of public health and the environment by improving the clarity of the hazardous waste management regulations, thereby potentially providing a better hazardous waste management framework for hazardous waste generators. In addition, DTSC anticipates that the

proposed regulations will create a better communication between the generators and state and local authorities and will allow improved tracking and reporting of the overall hazardous waste management activities in California.

Fiscal Impact Statement

A. FISCAL EFFECT ON LOCAL GOVERNMENT

6. Other.

While the first year of implementation will result in impacts to DTSC staffing because DTSC currently oversees Imperial and Trinity counties local Certified Unified Program Agencies (CUPA) inspection and enforcement activities, this is absorbable within the existing standards. Since much of the enforcement of generator standards has been delegated to CUPAs, DTSC will primarily be impacted through initial outreach and training during the first year of implementation with the regulated community and DTSC and CUPA inspectors.

DTSC assumes that fiscal impact that each CUPAs regional office incurs varies depending on the number of hazardous waste generators in their jurisdiction and also on the number of staff each CUPA has. DTSC also assumes that DTSC will provide all the new regulatory requirements and guidance through technical webinars and outreach activities to all CUPA counties when the regulations become effective. DTSC assumes that fifty percent of CUPAs with a large number of hazardous waste generators, and therefore a large number of CUPA inspectors, will provide additional training to their own inspectors in addition to the training they will receive from DTSC¹⁰. These CUPAs will incur a one-time cost of \$11,125.00 in the year following its adoption, and \$78,650.00 annually in the two subsequent years; therefore, totaling \$168,425 (\$11,125 + (2 x \$78,650)) for three years lifetime of this fiscal impact analysis.¹¹ On the other hand, the CUPAs with a lower number of generators and CUPA inspectors will rely mainly on the training DTSC will provide for inspection and enforcement activities.

There are eighty-one regional CUPAs offices in California, but DTSC currently oversees two local agency offices, Imperial and Trinity counties. Therefore, the total one-time fiscal impact for all CUPA offices is estimated at \$445,000 (40 x \$11,125) and total annual recurring cost after the first year for all CUPA offices is estimated at \$6,292,000 (40 x (2 x \$78,650)). These costs are tabulated based on the estimated work hours CUPA inspectors are expected to incur with and after the adoption of the regulation and current salaries and benefits of the CUPAs inspectors as shown in Table 5.

Table 5. Fiscal effect on all CUPA jurisdictions with the adoption of the regulation for the lifetime of this fiscal analysis¹²

Number of CUPA counties impacted	One-time cost (\$)	Recurring cost (\$)
40	\$ 11,125.00	\$ 6,292,000.00

¹⁰ Based on the conversation with CUPAs and the number of hazardous generators and CUPA inspectors in the counties. See the Appendix

¹¹ Based on costs breakdown estimate received from communications with CUPAs

¹² Assumes that this regulation becomes effective on June 1, 2023.