DEPARTMENT OF ENVIRONMENTAL PROTECTION

STATEMENT OF ESTIMATED REGULATORY COSTS

Rule Number: Rule Description:

Rule 62-705.200 Definitions

Rule 62-705.300 Grease Waste Hauler Requirements

Rule 62-705.400 Procedures for Disposal Facility Certification

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| 1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E. below for definition of small business.)

 Yes [x]  No [ ] If the answer to Question 1 is “yes,” see comments in Section E.1. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of $200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

 Yes [x]  No [ ]  |

If the answer to either question above is “yes,” a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

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| 1. Whether the rule directly or indirectly:
2. Is likely to have an adverse impact on any of the following in excess of $1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

 Economic growth Yes [ ]  No [x]  Private-sector job creation or employment Yes [ ]  No  [x]  Private-sector investment Yes [ ]  No  [x] (2) Is likely to have an adverse impact on any of the following in excess of $1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.] Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes  [ ]  No [x]  Productivity Yes [ ]  No [x]  Innovation Yes [ ]  No [x] (3) Is likely to increase regulatory costs, including any transactional costs, in excess of $1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.] Yes [ ]  No [x] Economic Analysis: **New anticipated one-time costs for disposal facilities at $5,000 per facility with 40 facilities is estimated to be $200,000. New recurring costs per year is $100 per hauler with an estimated 650 haulers is $65,000 per year, and for five years equals $325,000. In total for five years for disposal facilities and for haulers, the cost will be $525,000.** |

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| 1. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.**There are currently an estimated 650 haulers that will be required to apply for a license and 40 disposal facilities that will be required to apply for a certification. The number of disposal facilities and haulers has been estimated by extrapolating data from counties with known numbers of haulers and disposal facilities to similarly sized counties where the number of haulers and disposal facilities are not known.** (2) A general description of the types of individuals likely to be affected by the rule.**The rule will affect haulers of grease waste, facilities that process or dispose of grease waste, inspecting entities that include local governing bodies and, local Fats, Oils, and Grease (FOG) programs, who may review service manifests for compliance. The majority of those to be affected by the rule will be private companies with some public entities that have their own haulers, disposal facilities or have a FOG program that will be considered an inspecting entity.** |

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| C. A good faith estimate of: [120.541(2)(c), F.S.](1) The cost to the agency to implement and enforce the rule.[ ]  None. To be done with the current workload and existing staff.[x]  Minimal. Provide a brief explanation. **The Department intends to implement the additional permitting and compliance assistance tasks that are part of the proposed rule within its current workload with existing staff. This includes the eight positions allotted to the Department with the approval of the law.**[ ]  Other. Provide an explanation for estimate and methodology used.      (2) The cost to any other state and local government entity to implement and enforce the rule. [x]  None. The rule will only affect the agency. [ ]  Minimal. Provide a brief explanation.  [ ]  Other. Provide an explanation for estimate and methodology used.      (3) Any anticipated effect on state or local revenues. [x]  None.[ ]  Minimal. Provide a brief explanation.      [ ]  Other. Provide an explanation for estimate and methodology used.       |

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| D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. “Transactional costs” may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.] [ ]  None. The rule will only affect the agency. [x]  Minimal. Provide a brief explanation. The proposed rule does not impose application fees. Haulers and disposal facilities are anticipated to incur costs through time spent completing and submitting the application forms. Haulers: Haulers will be required to annually file an application for a license. The two-page license application form is estimated to take less than one hour to complete and submit. Based on a rate of $100 an hour per hauler, the annual cost for applying for a license for estimated 650 haulers is $65,000. The cost will recur five times in the initial five-year period, for an estimated total cost of $325,000. Disposal facilities: There are two types of disposal facilities and only one is required to apply for a certification and, therefore, will have costs associated with preparation of the application including the site plan documentation.  Permitted Solid Waste, Wastewater, and Biosolid facilities: Disposal facilities permitted under Chapter 62-701, 62-620, or 62-640, F.A.C., are authorized to accept grease waste for disposal and will not be required to obtain a certification under Chapter 62-705, F.A.C. This is because such facilities’ permits already authorize the facility to store, process, or dispose of grease waste.  Non-permitted Disposal Facilities: These facilities account for approximately 40% (40 disposal facilities) of the total disposal facilities currently within the State and will need to obtain a certification. Non-Permitted Disposal Facilities are required to prepare the certification application, a site plan, a description of the facility’s operations, a closure plan, and a contingency plan under the proposed rule. The estimated cost to develop these items is $5,000 on average, for a total estimated cost of $200,000 within the first 5 years of the effective date of the rule. These costs are anticipated to be one-time costs to these facilities, unless the facility proposes significant changes that would necessitate a new or modified application. The proposed rule requires these facilities to submit applications for disposal facility certification once every three years. If the facility’s operations remain the same as those described in the initial certification at the end of the 3-year certification period, the facility will not be required to develop a new site plan, description, contingency plan, and closure plan. **To determine transactional costs, Department staff called disposal facilities and consultants across the state. Consultants provided the Department estimated rates for preparation of the documentation for certification of a grease waste disposal facility under the proposed rules, including preparation of a site plan that is signed and sealed by a Professional Engineer. The Department conducted two public workshops for the rule that many grease haulers, local government inspectors, and originators attended and provided public comments. Department staff attended and presented information on the proposed grease waste removal and disposal program at following conferences: Florida Onsite Wastewater Association, FOG Inspectors (Fat Oils and Grease Inspectors), and Florida Industrial Pretreatment Association, and staff gathered information and comments related to the draft rule, including costs.**[ ]  Other. Provide an explanation for estimate and methodology used.       |
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| E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.](1) “Small business” is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than $5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the $5 million net worth requirement shall include both personal and business investments. [ ]  No adverse impact on small business. [ ]  Minimal. Provide a brief explanation.      [x]  Other. Provide an explanation for estimate and methodology used. **The number of haulers or disposal facilities that would meet the definition of a small business as defined in Section 288.703, F.S., is unknown. It is estimated the proposed rule will impact small business haulers through the requirements to annually apply for a license and retain the service manifests for at least one year. The proposed rules do not impose fees on hauler license applications. The only costs imposed on small business haulers are the costs associated with the time to complete and submit the application form. These costs are outlined in Section D. above.** **The proposed rules impact small business disposal facilities by requiring those facilities to obtain certification if they are not currently permitted under Chapter 62-701, 62-620, or 62-640, F.A.C. The proposed rules do not impose application fees for the certification. The costs imposed on these facilities are related to the time spent completing the application and obtaining the supporting documentation submitted with the application, including the cost to obtain a site plan that is signed and sealed by a professional engineer licensed under Chapter 471, F.S. Disposal facilities will be required under the proposed rule to submit an application for certification every three years. The proposed rules require the disposal facilities to maintain records of grease waste received for three years and retain tank inspection reports, if applicable.****Small business originators (sandwich shops, coffee shops, etc.) typically generate minimal amounts of grease waste allowing them to remove and transport those wastes to a disposal facility. Some local governments in Florida, as well as other states with similar programs, allow small business originators generating de minimis amounts of grease waste to manage their own grease waste. To minimize the potential impact of the proposed rules on small business originators, the Department added a definition for “self-cleaner” to the proposed rules. The law implemented does not prohibit an originator from self-cleaning. Self-cleaners meet the definitions of originator, hauler, and solid waste management facility. Under the Department’s existing statutory authority governing solid waste management facilities, the Department has determined that self-cleaners are not expected to create any significant threat to the environment or public health. Therefore, the Department’s proposed rules will not require self-cleaners to seek and obtain a grease waste hauler license if they transport and dispose of grease waste at a permitted or certified disposal facility. Self-cleaners are still required to comply with all other applicable statutory provisions of 403.0741, F.S.**(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census. [x]  No impact on small cities or small counties. [ ]  Minimal. Provide a brief explanation.      [ ]  Other. Provide an explanation for estimate and methodology used.       |

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| F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: **The proposed rule implements the requirements of 403.0741, F.S. While the proposed rule is not anticipated to impact food service, waste hauling, and waste disposal, it is unclear at this time if compliance with the proposed rule requirements will have any market impacts.** |

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| G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.][x]  None.Additional Information:       |

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| H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.][x]  No regulatory alternatives were submitted.[ ]  A regulatory alternative was received from      [ ]  Adopted in its entirety.[ ]  Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.       |