

APPENDIX I

Fiscal Impact on State Government

Fiscal Years: 2009-2010, 2010-2011, and 2011-2012

Narrative

The Air Resources Board (ARB) is proposing regulations for portable outboard marine tanks (OMTs) that improve air quality by reducing reactive organic gas (ROG) emissions by approximately 3.2 tons/day by 2020. To implement the program and achieve maximum air quality benefits, enforcement inspections are required to conduct outreach and eliminate non-compliant products from market.

The ARB Enforcement Division may require additional staff to implement the regulations beginning Fiscal Year (FY) 2009-2010. Staff costs (as shown in Table 1) are estimated to be \$300,000 for Fiscal Year 2009-2010. Similar staff costs are expected for Fiscal Years 2010-2011 and 2011-2012. The fiscal impacts are a result of new OMTs and components becoming subject to regulations over a three-year time period at hundreds of retail and supply stores throughout the state.

Listed below is a schedule of duties and cost estimates based upon the Air Pollution Specialist classification. This schedule reflects duties related to planning, travel, and resulting litigation activities.

Duties and Time Estimates for Enforcing the Proposed Portable Outboard Marine Tank Regulations

Monthly Duties (hours/month)

Planning of Inspections (35 hours)

Identifying a geographical area to inspect
Identify retailers/locations that are desired to be inspected
Obtain maps and/or directions for each retailer
Travel arrangements -- airfare, rental car, lodging, travel expense claims.

Field Inspections (104 hours)

Travel – Air or automobile. This may include obtaining and returning a rental car and travel time to and from headquarters to the area of inspection.
Inspections of retailers
Inspection Reports/Field Notes
Shipment of samples to headquarters

Post-Field Inspection (52 hours)

Enter Inspection Reports into Database
Enter samples into logbook and assign unique sample numbers
Store samples in evidence locker (off-site)
Complete Travel Expense Claim for field inspections if needed.

Investigation (86 hours) – If samples found to be in violation

Prepare and send letters to retailer and/or manufacturers for sales data, the cause of the violation, and other pertinent information.
Compile information received
Calculation extent of harm from violations
Schedule and prepare documents for an office conference with responsible party(s).
Offer a settlement amount if convinced violation(s) occurred.

Post-Investigative (52 hours)

Prepare settlement agreement and send to parties.
Receive signed settlement agreement and payment and enter into case file.
Deliver payment to the Office of Administration for deposit into the California Air Pollution Control Fund.

Refer Case to the Office of Legal Affairs (17 hours)

Prepare a summary of the case and a memo to the Office of Legal Affairs (OLA) for referral.
Verify the case file is complete
Deliver case file to OLA

Total Hours (Monthly) – 346

Estimated Person Year Costs

Fiscal Years: 2009-2010, 2010-2011, and 2011-2012

Table 1 details the fiscal impacts resulting from the addition of two Air Pollution Specialists required to implement the proposed OMT regulations. The figures represent the person year costs based on the agency salary and budgeting requirements for fiscal years 2009-2010, 2010-2011, and 2011-2012.

**Table 1
Personnel Costs**

	<u>APS (2 PYs)</u>
<u>Personal Services</u>	
Salary (Inc. Salary Savings)	\$154,575
Benefits (36.02%)	\$55,671
Total Salaries & Benefits:	\$210,246
Standard Operating Costs:	\$87,104
Additional Costs to Consider:	
Consultant Services	
Equipment	
Total Cost for 2 PYs:	\$297,350