

**09/19/2023 BOARD MEETING – ITEM #9
CHANGE SHEET #1 (CIRCULATED 09/14/2023)**

1) On page 3 of the Agenda Item, delete the last sentence under “Cannabis Cultivation” as follows:

Cannabis Cultivation

The Cannabis Cultivation program budget for FY 2023-24 is \$3.15 million and projected revenue is \$3.0 million. The Cannabis Cultivation program needs to generate an additional \$149,000 in revenue to meet the FY 2023-24 budget which translates to an average fee increase of 5.0 percent to all fee categories. **All applicable surcharges will remain unchanged for FY 2023-24.**

2) In the Regulation Text, the version of the proposed revisions to the water quality fee regulations that was published on September 8, 2023, inadvertently omitted the proposed revisions to section 2200.7 (cannabis cultivation) and inadvertently included a duplicate of the proposed revisions to section 2200, subdivision (c), (confined animal facilities) in its place. The duplicate of the proposed revisions to section 2200, subdivision (c) on pages 23-25 of the Regulation Text is deleted and replaced with the proposed revisions to section 2200.7, as shown below.

2200.7. Annual Fee Schedule for Cannabis Cultivation.

(a) Annual fees for dischargers covered under Statewide General Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation shall be as follows:

- (1) Tier 1 – Dischargers that have a disturbed area greater than 2,000 square feet and less than one acre:

Risk Designation	Annual Fee
Low Risk	<u>\$725,761</u>
Moderate Risk	<u>\$1,985,208</u>
High Risk	<u>\$5,135,392</u>

- (2) Tier 2 – Dischargers that have a disturbed area equal to or greater than one acre:

Risk Designation	Annual Fee
Low Risk	<u>\$1,145,202</u>
Moderate Risk	<u>\$3,245,407</u>
High Risk	<u>\$8,495,919</u>

Dischargers that have a disturbed area equal to or greater than two acres shall pay the applicable surcharge below to a maximum surcharge fee of **\$21,646,728**:

**09/19/2023 BOARD MEETING – ITEM #9
CHANGE SHEET #1 (CIRCULATED 09/14/2023)**

Acres	Per Acre Surcharge
2-50	<u>\$194204</u>
51-100	<u>\$105110</u>
101+ or more	<u>\$5355</u>

- (3) Waiver of Waste Discharge Requirements – Dischargers with indoor cultivation sites that meet the requirements for a waiver of waste discharge requirements or conditionally exempt outdoor sites:

Discharge Type	Application Fee	Annual Fee
Waste Hauler	<u>\$725761</u>	<u>\$725761</u>
Municipal Sewer	<u>\$725761</u>	<u>\$194204</u>
Conditionally Exempt Outdoor Site	<u>\$725761</u>	<u>\$194204</u>
Other Permitted Discharges ¹	<u>\$725761</u>	<u>\$725761</u>

Note: Authority cited: Sections 185, 1058 and 13260 Water Code. Reference: Sections 13260 and 13269, Water Code.

¹ Includes discharges to Onsite Wastewater Treatment Systems.