

**COST RECOVERY FEE PROPOSAL
FOR
LATE HAZARDOUS MATERIALS DISCLOSURES**

Currently Costa Mesa does not charge a late fee. We have learned that many people tend to be late with their disclosures and fees as there currently is no penalty for late payment. Orange City, Fullerton, Garden Grove, Fountain Valley, Santa Ana, and Anaheim fire departments do charge a late fee.

We currently have 270 business required to submit annual Hazardous Material Disclosure forms. **About 15%, or 40 of those businesses, file their Hazardous Materials Disclosure forms late.**

What we have proposed to you for consideration is adopting the charging of a twenty-five percent (25%) fee for disclosures not submitted within fifteen days of their billing date. This would be consistent with the Orange County Health Care Agency (OCHCA), who does our billing.

What is the expected “cost recovery”?

The Hazardous Materials Disclosure fees vary due to the number of chemicals utilized by each business. It is not possible to determine which of these businesses may be late any given year, but **a conservative increase of \$4,000 annually is expected.**