CALIFORNIA COASTAL COMMISSION

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W6d

DATE: May 20, 2021

TO: Coastal Commission and Interested Persons

FROM: John Ainsworth, Executive Director

Alison Dettmer, Chief Deputy Director

Claire Wilkens, Staff Attorney

SUBJECT: Filing Fee Increases effective July 1, 2021

Major Public Works Threshold Increase

INFORMATIONAL ITEM ONLY - No Commission action is required

1. Filing Fee Increases

The Commission's application filing fees are governed by the Coastal Act and implementing regulations. (See Pub. Res. Code § 30620(c) [Commission may collect reasonable filing fees]; Cal Code Regs., tit. 14, § 13055 [application fee schedule].) The filing fees are adjusted annually to account for inflation.

Specifically, subdivision (c) of Section 13055 provides:

The fees established ... shall be increased annually by an amount calculated on the basis of the percentage change from the year in which this provision becomes effective in the California Consumer Price Index for Urban Consumers as determined by the Department of Industrial Relations pursuant to Revenue and Taxation Code Section 2212. The increased fee amounts shall become effective on July 1 of each year. The new fee amounts shall be rounded to the nearest dollar.

Generally, the fees are used to offset some of the expenses incurred by processing applications. Fees are deposited into the Coastal Act Services Fund. Upon

appropriation by the Legislature, the Commission may expend the money for implementation of the Coastal Act.

Increases are based on initial costs from the year 2008, when the provision became effective. Based on the Department of Industrial Relations CPI Index Calculator, the California Consumer Price Index for Urban Consumers from April 2008 to February 2021 increased by 29.1%. The fiscal year-to-year increase is approximately 1.65%.

Accordingly, the schedule of filing fees is proposed to be adjusted, with the new fees effective on July 1, 2021. Exhibit 1 displays Appendix E to the application form, the filing fees schedule, with the adjusted amounts. The new fee schedule will be incorporated into coastal development permit applications available on the Commission's website.

Regulation Section 13055 codifies the filing fee schedule. Exhibit 2 displays the changes according to the regulation subdivisions in strikeout/ underline format. The proposed amendments require review by the Office of Administrative Law (OAL), which for several years has accepted the fee increases as nonsubstantive changes to the regulation. On approval, the amended regulation will be published and made generally available, including via the link provided by OAL for Section 13055. However, because OAL review takes 30 working days,¹ the amended regulation will not be published (other than on the Commission website) until late July. The fee increases are nevertheless retroactive to July 1, as the regulation prescribes.

2. Threshold for "Major" Public Works or Energy Facility

Regulation Section 13012(a) is proposed to be amended to identify the current applicable threshold that defines a major public works project or major energy facility.

Exhibit 3 displays the change to the regulation in strikeout/ underline format. The new threshold is \$299,188, a figure derived from the April 2021 Engineering News Record (ENR) construction cost index, as required by the existing regulation. The ENR index is not readily available to the public; thus, expressing the threshold in dollars is important for transparency. Like the fee increase, the Commission has no discretion to change the amount of the threshold. This change takes effect on approval by OAL.

3. Procedures and Notice

The submittal to OAL will be posted on the Commission's rulemaking page by June 16, 2021. Application forms available on the Commission's website will be updated on July 1, 2021 to reflect the new fees. For questions on the regulation amendments or this

¹ OAL anticipates that the pandemic-related extensions for review allowed by Gov. Orders N-40-20 and N-71-20 will be retracted on June 15, 2021.

W6d June 2021 Filing Fees Increase

informational item, contact Attorney Claire Wilkens, <u>claire.wilkens@coastal.ca.gov</u>, (415) 904-5225.

EXHIBITS

Exhibit 1: Filing Fees Schedule, July 1, 2021

Exhibit 2: Proposed Amendments, Section 13055 [fees]

Exhibit 3: Proposed Amendment, Section 13012 [major public works threshold]

APPENDIX A – Substantive File Documents

CPI Index, April 2008 to February 2021

Chart of Fee Increase Calculations

ENR Construction Index, April 2021

Major Public Works Threshold Calculation

CEQA Notice of Exemption