



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Office of Waste, Air, Radiation & Remediation

Uniform Environmental Covenant Act (UECA) Three-Year Regulatory Fee and Program Cost Analysis Report

Environmental Quality Board Meeting

August 20, 2019

Tom Wolf, Governor

Patrick McDonnell, Secretary

▶ Uniform Environmental Covenant Act

Section § 6502 of UECA, 27 Pa.C.S. § 6502

defines an Environmental Covenant as:

“A servitude arising under an environmental response project which imposes activity and use limitations.”

Statutory Requirements

Section § 6515 (a), 27 Pa.C.S. § 6515

“--The Environmental Quality Board has the power and duty to promulgate regulations for the proper performance of work of the department under this chapter. This subsection includes the establishment of fees under this chapter.”

Regulatory Requirements

25 Pa. Code § 253.7(c)

“the Department will provide the EQB with an evaluation of the fees in this chapter and recommend regulatory changes to the EQB to address any disparity between the program income generated by the fees and the Department’s cost of administering the program with the objective of ensuring fees meet all program costs and programs are self-sustaining.”

Fee Related Program Activities

Processing of Environmental Covenants

- Regulatory review by project officer
 - Ensures continuity with Final Report
 - Tracks due dates and overdue covenants
 - Ensures that covenants are recorded
- Administrative duties by staff
 - Entering into eFACTs
- IT database and Registry maintenance

Fee Analysis

25 Pa. Code § 253.7(a)

- A nonrefundable fee of \$500 shall be submitted to the Department with each environmental covenant appropriately signed by all parties other than the Department.

Revenue and Program Cost Analysis

| | FY 2015-16 | FY 2016-17 | FY 2017-18 | 3-Year Total |
|---|-------------|--------------|-------------|--------------|
| Number of Environmental Covenants Reviewed | 189 | 226 | 179 | 594 |
| Cost per Covenant for Technical Review* | \$288.36 | \$288.36 | \$288.36 | \$288.36 |
| Annual Cost of Covenant Review | \$54,500.04 | \$65,169.36 | \$51,616.44 | \$171,285.84 |
| Annual IT Costs for Database and Registry | \$41,050.00 | \$41,050.00 | \$41,050.00 | \$123,150.00 |
| Annual Total Fees Collected | \$94,500.00 | \$113,000.00 | \$89,500.00 | \$297,000.00 |
| Annual Registry and Covenant Review Total Costs | \$95,550.04 | \$106,219.36 | \$92,666.44 | \$294,435.84 |

Summary and Recommendation

- Under UECA, remediators pay a \$500 fee to DEP on submission of their environmental covenant.
 - Average cost to DEP for review, input and upkeep for environmental covenants over the last three fiscal years averages to \$495.69 per covenant.
- **DEP recommends no UECA fee increase at this time.**
 - Fees adequate to cover UECA costs through 2021.
 - UECA is included in DEP's Land Recycling Program (LRP)
 - LRP is funded primarily by the Hazardous Sites Cleanup Fund (HSCF).
 - HSCF will be insolvent in 2021 and unable to support core responsibilities of LRP unless a new source of reoccurring revenue is established.



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