CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE HOUSE BILL 2867

57th Legislature 2002 Regular Session

Passed by the House March 13, 2002 Yeas 97 Nays 0

Speaker of the House of Representatives

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 2867** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Passed by the Senate March 13, 2002 Yeas 47 Nays 0

President of the Senate

Approved

FILED

Governor of the State of Washington

Secretary of State State of Washington

Chief Clerk

SECOND SUBSTITUTE HOUSE BILL 2867

AS AMENDED BY THE SENATE

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature 2002 Regular Session

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Fromhold, Ogden, McMorris, Grant, Haigh and Delvin)

Read first time 02/09/2002. Referred to Committee on .

AN ACT Relating to mitigating the effects of the aquatic pesticide national pollutant discharge elimination system permit required as a result of a recent federal court decision; amending RCW 90.48.465; creating a new section; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. Sec. 1. The legislature finds that the recent 7 federal court of appeals decision in *Headwaters*, *Inc.* v. Talent Irrigation District, 243 F.3rd 526 (9th Cir. 2001) imposes a duty to 8 9 obtain a national pollutant discharge elimination system permit under 10 the clean water act for the application of pesticides to irrigation This duty is also extended to other individuals and 11 canals. 12 organizations that apply pesticides to other waters, where no duty 13 existed before the Talent decision.

The legislature finds that the costs associated with the issuance of the national pollutant discharge elimination system permit now required by the department of ecology as a result of the federal decision is burdensome to the affected individuals and organizations. The legislature intends to temporarily reduce the burden of the federal decision on those individuals and organizations.

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1 sec. 2. RCW 90.48.465 and 1998 c 262 s 16 are each amended to read
2 as follows:

3 (1) The department shall establish annual fees to collect expenses 4 for issuing and administering each class of permits under RCW 90.48.160, 90.48.162, and 90.48.260. An initial fee schedule shall be 5 established by rule ((within one year of March 1, 1989, and thereafter 6 7 the fee schedule shall)) and be adjusted no more often than once every 8 two years. This fee schedule shall apply to all permits, regardless of 9 date of issuance, and fees shall be assessed prospectively. All fees 10 charged shall be based on factors relating to the complexity of permit issuance and compliance and may be based on pollutant loading and 11 toxicity and be designed to encourage recycling and the reduction of 12 13 the quantity of pollutants. Fees shall be established in amounts to fully recover and not to exceed expenses incurred by the department in 14 15 processing permit applications and modifications, monitoring and evaluating compliance with permits, conducting inspections, securing 16 laboratory analysis of samples taken during inspections, reviewing 17 plans and documents directly related to operations of permittees, 18 19 overseeing performance of delegated pretreatment programs, and supporting the overhead expenses that are directly related to these 20 activities. 21

(2) The annual fee paid by a municipality, as defined in 33 U.S.C. 22 23 Sec. 1362, for all domestic wastewater facility permits issued under 24 RCW 90.48.162 and 90.48.260 shall not exceed the total of a maximum of fifteen cents per month per residence or residential equivalent 25 26 contributing to the municipality's wastewater system. ((The department shall adopt by rule a schedule of credits for any municipality engaging 27 in a comprehensive monitoring program beyond the requirements imposed 28 29 by the department, with the credits available for five years from March 30 1, 1989, and with the total amount of all credits not to exceed fifty 31 thousand dollars in the five-year period.))

32 (3) The department shall ensure that indirect dischargers do not 33 pay twice for the administrative expense of a permit. Accordingly, 34 administrative expenses for permits issued by a municipality under RCW 35 90.48.165 are not recoverable by the department.

36 (4) In establishing fees, the department shall consider the 37 economic impact of fees on small dischargers and the economic impact of 38 fees on public entities required to obtain permits for storm water 39 runoff and shall provide appropriate adjustments.

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(5) The fee for an individual permit issued for a dairy farm as 1 defined under chapter 90.64 RCW shall be fifty cents per animal unit up 2 3 to ((one thousand one hundred sixty seven dollars for fiscal year 1998 4 and)) one thousand two hundred fourteen dollars for fiscal year 1999. The fee for a general permit issued for a dairy farm as defined under 5 chapter 90.64 RCW shall be fifty cents per animal unit up to ((eight 6 7 hundred seventeen dollars for fiscal year 1998 and)) eight hundred 8 fifty dollars for fiscal year 1999. Thereafter, these fees may rise in 9 accordance with the fiscal growth factor as provided in chapter 43.135 10 RCW.

(6) The fee for a general permit or an individual permit developed 11 solely as a result of the federal court of appeals decision in 12 Headwaters, Inc. v. Talent Irrigation District, 243 F.3rd 526 (9th Cir. 13 14 2001) is limited, until June 30, 2003, to a maximum of three hundred dollars. Such a permit is required only, and as long as, the 15 interpretation of this court decision is not overturned or modified by 16 future court rulings, administrative rule making, or clarification of 17 18 scope by the United States environmental protection agency or legislative action. In such a case the department shall take 19 appropriate action to rescind or modify these permits. 20

(7) All fees collected under this section shall be deposited in the 21 water quality permit account hereby created in the state treasury. 22 Moneys in the account may be appropriated only for purposes of 23 24 administering permits under RCW 90.48.160, 90.48.162, and 90.48.260. 25 (((7) Beginning with the biennium ending June 30, 1997,)) (8) The 26 department shall present a biennial progress report on the use of moneys from the account to the legislature. 27 The report will be due 28 December 31st of odd-numbered years. The report shall consist of

29 information on fees collected, actual expenses incurred, and 30 anticipated expenses for the current and following fiscal years.

31 <u>NEW SECTION.</u> Sec. 3. This act is necessary for the immediate 32 preservation of the public peace, health, or safety, or support of the 33 state government and its existing public institutions, and takes effect 34 immediately.

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