

1 **ESSB 5910** - H COMM AMD

2 By Committee on Environmental Affairs

3 Strike everything after the enacting clause and insert:

4 "NEW SECTION. **Sec. 1.** The legislature finds that a state-
5 wide assessment of water systems has shown that public drinking
6 water systems have a critical need for financial assistance to
7 assure safe, reliable, and viable water supplies, meet the
8 requirements of the federal safe drinking water act, provide for
9 comprehensive planning and regional planning of public water
10 systems, assess the status of the state's drinking water quality,
11 develop least-cost solutions to public water systems through
12 consolidation of small systems into larger and financially viable
13 utilities, and implement demand management strategies to more
14 effectively use the state's financial resources and water
15 resources.

16 The federal government has indicated an intention to provide
17 new funding for water system needs on a national basis within a
18 program of federal investment in infrastructure intended to provide
19 a significant number of jobs nation-wide this year. The state of
20 Washington does not have the broad-based authority and ability to
21 promptly receive and disburse federal assistance to eligible water
22 systems.

23 It is the intent of the legislature to provide for a system of
24 grants and/or loans, in addition to existing state financial
25 assistance programs, that will: (1) Receive and utilize federal
26 funding to provide assistance for planning, design, acquisition,
27 construction, consolidation, and improvement of public water
28 systems facilities and activities; (2) meet the short-term and
29 long-term needs identified and prioritized in the state-wide

1 assessment; and (3) encourage responsible and efficient water
2 system management throughout the state.

3 It is the further intent of the legislature to use existing
4 state funding programs for the administrative and financial
5 mechanisms necessary to ensure prompt and coordinated delivery of
6 the financial assistance to public water systems authorized under
7 this chapter.

8 NEW SECTION. **Sec. 2.** Unless the context clearly requires
9 otherwise, the definitions in this section apply throughout this
10 chapter.

11 (1) "Board" means the public works board.

12 (2) "Department" means the department of health.

13 (3) "Private water purveyor" means a public water system not
14 owned by a governmental body.

15 (4) "Public water purveyor" means a governmental body,
16 including a public or quasi-public organization, that owns and
17 operates a public water system, or the authorized agent of such an
18 entity.

19 (5) "Public water system" means a water system with fifteen or
20 more service connections, regardless of the number of people, or a
21 system serving an average of twenty-five or more people per day for
22 sixty or more days within a calendar year, regardless of the number
23 of service connections.

24 NEW SECTION. **Sec. 3.** The drinking water assistance account
25 is established in the state treasury. Money may be placed in the
26 account from the proceeds of bonds when authorized by the
27 legislature, transfers from other state funds or accounts, federal
28 financial assistance, or any other lawful source. Moneys from the
29 account may be spent only by the secretary of health or the public
30 works board after appropriation. Expenditures from the account may
31 be used only to meet the purposes of this chapter and to reimburse

1 the department and the board for their reasonable administrative
2 expenses in developing and implementing the programs authorized
3 under this chapter.

4 NEW SECTION. **Sec. 4.** The department shall, by January 1,
5 1994, in consultation with the board, purveyors, local health
6 departments, and other interested parties, establish guidelines and
7 requirements for the provision of grants and/or loans to public
8 water systems that are consistent with the findings and intent
9 contained in section 1 of this act. The department shall ensure
10 that guidelines and requirements:

11 (1) Utilize, to the maximum extent, all available federal
12 financial assistance;

13 (2) Are consistent with existing water resource planning and
14 management, including coordinated water supply plans, regional
15 water resource plans, and comprehensive plans under the growth
16 management act, chapter 36.70A RCW;

17 (3) Prioritize least-cost solutions, including consolidation
18 and restructuring of small systems into more economical units and
19 the provision of regional facilities;

20 (4) Assure implementation of water conservation and other
21 demand management measures consistent with state guidelines for
22 water utilities;

23 (5) Provide assistance for the necessary planning and
24 engineering to assure that consistency, coordination, and proper
25 professional review are incorporated into projects or activities
26 proposed for funding;

27 (6) Include minimum standards for financial viability and
28 water system planning;

29 (7) Provide for testing and evaluation of the water quality of
30 the state's public water systems to assure that priority for
31 financial assistance is provided to systems and areas with threats
32 to public health from contaminated supplies and reduce in

1 appropriate cases the substantial increases in costs and rates that
2 customers of small systems would otherwise incur under the
3 monitoring and testing requirements of the federal safe drinking
4 water act; and

5 (8) Are coordinated, to the maximum extent possible, with
6 other state programs that provide financial assistance to public
7 water systems and state programs that address existing or potential
8 water quality or drinking water contamination problems.

9 NEW SECTION. **Sec. 5.** The board shall develop a financial
10 assistance program using appropriated funds from the drinking water
11 assistance account to meet the purposes and implement the
12 guidelines authorized in this chapter. The board shall consult
13 with the department and water purveyors in developing the financial
14 assistance program.

15 The board shall develop criteria for grants and/or loans to be
16 made to public water systems. The criteria shall emphasize public
17 water systems with the most critical public health needs; the
18 capacity of the water system to effectively manage its resources;
19 the ability to promptly commence the project; and the relative
20 benefit to the community served. Priority shall be given to those
21 systems that are ready to proceed, that will provide water system
22 improvements to the greatest number of people, and any other
23 criteria that the board shall develop in consultation with the
24 department and water system purveyors.

25 NEW SECTION. **Sec. 6.** If the department, board, or any other
26 agency of state government provides financial assistance, testing,
27 planning, or consolidation or restructuring assistance under this
28 chapter, the administering agency shall endeavor to provide these
29 services in a cost-effective manner. The methods agencies may
30 consider to provide cost-effective services include, but are not
31 limited to:

1 (1) The use of policy statements or guidelines instead of
2 administrative rules when appropriate under chapter 34.05 RCW;

3 (2) The use of existing management mechanisms rather than
4 creating new administrative structures;

5 (3) The use of service contracts, either with other
6 governmental entities or with nongovernmental service providers;

7 (4) The use of joint or combined financial assistance
8 applications; and

9 (5) Other methods or practices designed to streamline the
10 delivery of services.

11 NEW SECTION. **Sec. 7.** This act is necessary for the immediate
12 preservation of the public peace, health, or safety, or support of
13 the state government and its existing public institutions, and
14 shall take effect immediately.

15 NEW SECTION. **Sec. 8.** Sections 1 through 6 of this act shall
16 constitute a new chapter in Title 70 RCW."

EFFECT: Revises provisions directing the public works board, the department of health, and other state agencies to provide cost-effective services in the administration of the assistance program. Only water systems subject to the federal safe drinking water act would be eligible to receive assistance, instead of any system with two or more connections.