CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1743

53rd Legislature 1994 Regular Session

Passed by the House March 10, 1994 CERTIFICATE Yeas 94 Nays 0 I, Marilyn Showalter, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1743** as passed by the House of
Representatives and the Senate on the Speaker of the House of Representatives dates hereon set forth. Passed by the Senate March 9, 1994 Yeas 45 Nays 0 President of the Senate Chief Clerk Approved FILED Secretary of State Governor of the State of Washington State of Washington

SUBSTITUTE HOUSE BILL 1743

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 1994 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Environmental Affairs (originally sponsored by Representatives Flemming, Horn, Rust, Linville, Valle and J. Kohl)

Read first time 02/26/93.

- 1 AN ACT Relating to pollution prevention; adding a new section to
- 2 chapter 70.95C RCW; adding a new section to chapter 90.48 RCW; and
- 3 creating new sections.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. A new section is added to chapter 70.95C RCW to read as follows:
- 7 (1) Not later than January 1, 1995, the department shall designate
- 8 an industry type and up to ten individual facilities within that
- 9 industry type to be the focus of a pilot multimedia program. The
- 10 program shall be designed to coordinate department actions related to
- 11 environmental permits, plans, approvals, certificates, registrations,
- 12 technical assistance, and inspections. The program shall also
- 13 investigate the feasibility of issuing facility-wide permits. The
- 14 director shall determine the industry type and facilities based on:
- 15 (a) A review of at least three industry types; and
- (b) Criteria which shall include at least the following factors:
- 17 (i) The potential for the industry to serve as a state-wide model
- 18 for multimedia environmental programs including pollution prevention;

- 1 (ii) Whether the industry type is subject to regulatory 2 requirements relating to at least two of the following subject areas: 3 Air quality, water quality, or hazardous waste management;
- 4 (iii) The existence within the industry type of a range of business 5 sizes; and
 - (iv) Voluntary participation in the program.
- 7 (2) Not later than January 1, 1997, the department shall submit to 8 the governor and the appropriate standing committees of the 9 legislature:
- 10 (a) A report evaluating the pilot multimedia program. The report
 11 shall consider the program's effect on the efficiency and effectiveness
 12 of program delivery and shall evaluate the feasibility of expanding the
 13 program to other industry types; and
- 14 (b) A report analyzing the feasibility of a facility-wide permit 15 program.
- 16 (3) In developing the program, the department shall consult with 17 and seek the cooperation of the environmental protection agency.
- (4) For purposes of this section, "facility-wide permit" means a single multimedia permit issued by the department to the owner or operator of a facility incorporating the permits and any other relevant department approvals previously issued to the owner or operator or currently required by the department.
- NEW SECTION. Sec. 2. The purpose of this section and section 3 of this act is to establish a pilot program to encourage environmental permit program efficiency and pollution prevention through increased private sector participation in the preparation of wastewater discharge permits currently administered by the department of ecology.

The legislature recognizes that pollution prevention can often be accomplished through cooperative partnerships between government and industry and through voluntary changes in industrial production methods. By using expertise available in the private sector, the pilot program provided for in this section and section 3 of this act is intended to reduce the backlog of expired wastewater discharge permits in order to better protect the water quality of the state.

The legislature intends that the pilot program be implemented through the use of technical assistance and administrative guidelines; it is not the intent of this act to authorize additional rule making. The legislature also intends that the pilot program be implemented

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- 1 without causing a reduction in the number of state employees involved
- 2 in administration of the wastewater discharge permit program.
- 3 The provisions in this act do not affect the authority of the
- 4 department to bring enforcement actions, nor do they affect provisions
- 5 in existing law for public participation and rights of appeal of permit
- 6 decisions.
- NEW SECTION. Sec. 3. A new section is added to chapter 90.48 RCW to read as follows:
- 9 (1) For the period beginning July 1, 1994, and ending July 1, 1996,
- 10 the department shall conduct a pilot program to test the feasibility
- 11 and effectiveness of allowing certain industries that require a permit,
- 12 renewal, or modification under RCW 90.48.260 or 90.48.160 to submit an
- 13 application in the form of a draft permit and fact sheet.
- 14 (2) Within thirty days of the effective date of this section, the
- 15 department shall request approval from the federal environmental
- 16 protection agency to implement the pilot program as provided in this
- 17 section. If the environmental protection agency grants approval, the
- 18 department shall:
- 19 (a) Establish criteria for a variety of types of applicants that
- 20 are eligible to participate. Such criteria shall include:
- 21 (i) Consideration of the applicant's compliance history; and
- (ii) The potential for the industry to serve as a model for
- 23 increased private sector participation in permit preparation;
- 24 (b) Develop guidelines specifying the elements of a complete draft
- 25 permit and fact sheet;
- 26 (c) Make available a list of approved contractors with whom
- 27 applicants may contract for draft permit preparation;
- 28 (d) Document cost and time savings that may or may not result from
- 29 draft permit preparation by applicants and reflect such savings in the
- 30 next revision of permit fees for such applicants. Any reduction in
- 31 fees for permittees participating in the pilot program shall not cause
- 32 an increase in fees for other permittees; and
- 33 (e) Limit the number of facilities that will be eligible to
- 34 participate in the pilot program to ten.
- 35 (3) Nothing in this section affects the requirements for public
- 36 participation and right of appeal under RCW 90.48.260 and chapter
- 37 43.21B RCW. The department shall retain full authority under this

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- 1 chapter to approve, modify, or disapprove any draft permit or fact
- 2 sheet submitted under this section.
- 3 (4) By July 1, 1995, the department shall provide an interim report
- 4 to the appropriate standing committees of the legislature evaluating
- 5 the effectiveness of the pilot program authorized under this section.
- 6 A final report shall be submitted by December 1, 1996.
- 7 <u>NEW SECTION.</u> **Sec. 4.** (1) The legislature finds that utilization
- 8 of private sector expertise may also benefit other administrative
- 9 functions within the department of ecology's wastewater discharge
- 10 permit program. The legislature therefore directs the department to
- 11 conduct a study, in cooperation with the federal environmental
- 12 protection agency, to evaluate the feasibility of utilizing private
- 13 sector expertise for permit compliance assurance activities. By
- 14 December 1, 1994, the department shall submit a report to the
- 15 appropriate standing committees of the legislature that includes the
- 16 following elements:
- 17 (a) A review of options for utilizing the private sector in the
- 18 performance of annual compliance inspections of facilities covered
- 19 under wastewater discharge permits. Such options shall include a
- 20 review of the feasibility of: (i) The department contracting for
- 21 compliance inspection services; (ii) the permittee contracting for
- 22 compliance inspection services; and (iii) any other options identified
- 23 by the department;
- 24 (b) An analysis of whether the options identified in (a) of this
- 25 subsection are permissible under the federal clean water act and
- 26 implementing regulations;
- 27 (c) An evaluation of whether cost savings or other benefits would
- 28 result from utilizing private sector resources;
- 29 (d) An evaluation of whether staffing reductions would result from
- 30 such privatization and, if so, what plan should be followed in order to
- 31 transfer these employees to other appropriate classifications within
- 32 the water quality program;
- 33 (e) An analysis of changes that may be necessary in the wastewater
- 34 discharge permit fee schedule to accomplish such privatization; and
- 35 (f) Identification of any other alternative compliance strategies,
- 36 in addition to privatization, that will improve the effectiveness and
- 37 efficiency of the wastewater discharge permit program, and thereby
- 38 improve the water quality of the state.

- 1 (2) The department shall seek recommendations from the federal 2 environmental protection agency as to what federal waivers or 3 approvals, if any, may be required to implement the options identified 4 in subsection (1)(a) of this section.
- NEW SECTION. Sec. 5. If any part of this act is found to be in conflict with federal requirements, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned.

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