

2 **ESHB 1837** - S COMM AMD  
3 By Committee on Ecology & Parks

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5 Strike everything after the enacting clause and insert the  
6 following:

7 "**Sec. 1.** RCW 70.146.020 and 1993 sp.s. c 24 s 923 are each amended  
8 to read as follows:

9 Unless the context clearly requires otherwise, the definitions in  
10 this section apply throughout this chapter.

11 (1) "Account" means the water quality account in the state  
12 treasury.

13 (2) "Department" means the department of ecology.

14 (3) "Eligible cost" means the cost of that portion of a water  
15 pollution control facility that can be financed under this chapter  
16 excluding any portion of a facility's cost attributable to capacity  
17 that is in excess of that reasonably required to address one hundred  
18 ten percent of the applicant's needs for water pollution control  
19 existing at the time application is submitted for assistance under this  
20 chapter.

21 (4) "Water pollution control facility" or "facilities" means any  
22 facilities or systems for the control, collection, storage, treatment,  
23 disposal, reclamation, or recycling of wastewater, including but not  
24 limited to sanitary sewage, storm water, residential, commercial,  
25 industrial, and agricultural wastes, which are causing water quality  
26 degradation due to concentrations of conventional, nonconventional, or  
27 toxic pollutants. Water pollution control facilities include all  
28 equipment, utilities, structures, real property, and interests in and  
29 improvements on real property necessary for or incidental to such  
30 purpose. Water pollution control facilities also include such  
31 facilities, equipment, and collection systems as are necessary to  
32 protect federally designated sole source aquifers.

33 (5) "Water pollution control activities" means actions taken by a  
34 public body for the following purposes: (a) To prevent or mitigate  
35 pollution of underground water; (b) to control nonpoint sources of  
36 water pollution; (c) to restore the water quality of fresh water lakes;

1 and (d) to maintain or improve water quality through the use of water  
2 pollution control facilities or other means. (~~During the 1993-1995~~  
3 ~~fiscal biennium,~~) "Water pollution control activities" also includes  
4 activities by state agencies to protect public drinking water supplies  
5 and sources.

6 (6) "Public body" means the state of Washington or any agency,  
7 county, city or town, conservation district, other political  
8 subdivision, municipal corporation, quasi-municipal corporation, and  
9 those Indian tribes now or hereafter recognized as such by the federal  
10 government.

11 (7) "Water pollution" means such contamination, or other alteration  
12 of the physical, chemical, or biological properties of any waters of  
13 the state, including change in temperature, taste, color, turbidity, or  
14 odor of the waters, or such discharge of any liquid, gaseous, solid,  
15 radioactive, or other substance into any waters of the state as will or  
16 is likely to create a nuisance or render such waters harmful,  
17 detrimental, or injurious to the public health, safety, or welfare, or  
18 to domestic, commercial, industrial, agricultural, recreational, or  
19 other legitimate beneficial uses, or to livestock, wild animals, birds,  
20 fish, or other aquatic life.

21 (8) "Nonpoint source water pollution" means pollution that enters  
22 any waters of the state from any dispersed water-based or land-use  
23 activities, including, but not limited to, atmospheric deposition,  
24 surface water runoff from agricultural lands, urban areas, and forest  
25 lands, subsurface or underground sources, and discharges from boats or  
26 other marine vessels.

27 (9) "Sole source aquifer" means the sole or principal source of  
28 public drinking water for an area designated by the administrator of  
29 the environmental protection agency pursuant to Public Law 93-523, Sec.  
30 1424(b).

31 (10) "Implementation" means those actions undertaken by a public  
32 body to prevent, mitigate, or control water pollution or restore ground  
33 and surface waters through site-specific planning, design, and  
34 construction of water pollution control facilities and related site-  
35 specific activities.

36 (11) "Comprehensive planning" means the development of specific  
37 priorities and preferred strategies in a defined geographic area to  
38 prevent, mitigate, and control water pollution and related impacts to

1 ground and surface water in order to make the most effective use of  
2 available local, state, and federal funding sources.

3 (12) "Commission" means the state conservation commission.

4 **Sec. 2.** RCW 70.146.060 and 1987 c 527 s 1 and 1987 c 436 s 7 are  
5 each reenacted and amended to read as follows:

6 During the period from July 1, ~~((1987))~~ 1995, until June 30,  
7 ~~((1995))~~ 2008, the following limitations shall apply to the  
8 department's total distribution of funds appropriated from the water  
9 quality account:

10 (1) ~~((Not more than fifty))~~ At least eighty percent for  
11 implementation of water pollution control facilities ~~((which discharge~~  
12 ~~directly into marine waters))~~ or activities; and

13 (2) Not more than twenty percent for comprehensive planning  
14 relating to water pollution control facilities and activities ~~((that~~  
15 ~~prevent or mitigate pollution of underground waters and facilities that~~  
16 ~~protect federally designated sole source aquifers with at least two-~~  
17 ~~thirds for the Spokane Rathdrum Prairie Aquifer;~~

18 ~~(3) Not more than ten percent for water pollution control~~  
19 ~~activities that protect freshwater lakes and rivers including but not~~  
20 ~~limited to Lake Chelan and the Yakima and Columbia rivers;~~

21 ~~(4) Not more than ten percent for activities which control nonpoint~~  
22 ~~source water pollution;~~

23 ~~(5) Ten percent and such sums as may be remaining from the~~  
24 ~~categories specified in subsections (1) through (4) of this section for~~  
25 ~~water pollution control activities or facilities as determined by the~~  
26 ~~department; and~~

27 ~~(6) Two and one half percent of the total amounts of moneys under~~  
28 ~~subsections (1) through (5) of this section from February 21, 1986,~~  
29 ~~until December 31, 1995, shall be appropriated biennially to the state~~  
30 ~~conservation commission for the purposes of this chapter. Not less~~  
31 ~~than ten percent of the moneys received by the state conservation~~  
32 ~~commission under the provisions of this section shall be expended on~~  
33 ~~research activities)).~~

34 The distribution under this section shall not be required to be met  
35 in any single fiscal year.

36 Funds provided for facilities and activities under this chapter may  
37 be used for payments to a service provider under a service agreement  
38 pursuant to RCW 70.150.060. If funds are to be used for such payments,

1 the department may make periodic disbursements to a public body or may  
2 make a single lump sum disbursement. Disbursements of funds with  
3 respect to a facility owned or operated by a service provider shall be  
4 equivalent in value to disbursements that would otherwise be made if  
5 that facility were owned or operated by a public body. Payments under  
6 this chapter for waste disposal and management facilities made to  
7 public bodies entering into service agreements pursuant to RCW  
8 70.150.060 shall not exceed amounts paid to public bodies not entering  
9 into service agreements.

10 **Sec. 3.** RCW 70.146.070 and 1991 sp.s. c 32 s 24 are each amended  
11 to read as follows:

12 When making grants or loans for water pollution control facilities  
13 or activities, the department shall consider the following:

14 (1) The protection of water quality and public health, with an  
15 emphasis upon water bodies that are not in compliance with water  
16 quality standards pursuant to section 303(d) of the federal clean water  
17 act, and prevention of degradation in water bodies where a significant  
18 threat exists;

19 (2) The cost to residential ratepayers if they had to finance water  
20 pollution control facilities without state assistance, with an emphasis  
21 on small communities that do not have a sufficient rate base to finance  
22 the full costs of such projects;

23 (3) Actions required under federal and state permits and compliance  
24 orders;

25 (4) The level of local fiscal effort by taxpayers and residential  
26 ratepayers ((since 1972)) in financing water pollution control  
27 facilities;

28 ~~(5) ((The extent to which the applicant county or city, or if the~~  
29 ~~applicant is another public body, the extent to which the county or~~  
30 ~~city in which the applicant public body is located, has established~~  
31 ~~programs to mitigate nonpoint pollution of the surface or subterranean~~  
32 ~~water sought to be protected by the water pollution control facility~~  
33 ~~named in the application for state assistance)) Providing a preference~~  
34 ~~for facilities and activities that address nonpoint sources of water~~  
35 ~~pollution, including storm water sources of water pollution; ((and))~~

36 ~~(6) ((The recommendations of the Puget Sound water quality~~  
37 ~~authority and any other board, council, commission, or group~~  
38 ~~established by the legislature or a state agency to study water~~

1 ~~pollution control issues in the state))~~ Providing a balanced geographic  
2 distribution of awards; and

3 (7) The extent to which assistance has been provided from other  
4 state and federal sources.

5 A county, city, or town that is required or chooses to plan under  
6 RCW 36.70A.040 may not receive a grant or loan for water pollution  
7 control facilities unless it has adopted a comprehensive plan in  
8 conformance with the requirements of chapter 36.70A RCW, after it is  
9 required that the comprehensive plan be adopted, or unless it has  
10 adopted development regulations in conformance with the requirements of  
11 chapter 36.70A RCW, after it is required that development regulations  
12 be adopted.

13 In order to be eligible to apply for grants or loans through the  
14 department, a conservation district must demonstrate that the facility  
15 or activity for which it is seeking financial assistance will be  
16 planned or implemented jointly with another public body.

17 NEW SECTION. Sec. 4. A new section is added to chapter 70.146 RCW  
18 to read as follows:

19 (1) Of the amount available for appropriation from the account to  
20 the department each biennium for distribution according to RCW  
21 70.146.060, ten percent shall be appropriated to the commission for the  
22 purposes of this chapter. The following limitations shall apply to  
23 these funds:

24 (a) No more than eight percent may be used for expenses directly  
25 related to administering the grants and loans authorized in this  
26 section;

27 (b) No more than thirty percent may be used to provide allocation  
28 grants to qualified conservation districts, provided that such grants  
29 directly support water quality facilities and activities;

30 (c) The remainder shall be provided as grants or loans to local  
31 conservation districts through a competitive program for eligible water  
32 pollution control facilities and activities as defined in this chapter.  
33 Through the competitive program, at least eighty percent of the funds  
34 shall be provided for implementation of water pollution control  
35 activities and facilities, and not more than twenty percent for  
36 comprehensive planning related to water pollution control activities  
37 and facilities. The commission shall require a match of local  
38 resources, which may include in-kind services, by the grant or loan

1 recipient. Nothing in this section precludes conservation districts  
2 from also competing for grants and loans through the program  
3 administered by the department under this chapter.

4 (2) In awarding grants or loans, the commission shall consider the  
5 following:

6 (a) The protection of water quality and public health, with an  
7 emphasis upon water bodies that are not in compliance with water  
8 quality standards pursuant to section 303(d) of the federal clean water  
9 act, and prevention of degradation in water bodies where a significant  
10 threat exists;

11 (b) Actions required under federal and state permits and compliance  
12 orders;

13 (c) Providing a preference to facilities and activities that  
14 involve partnerships among public bodies and private landowners;

15 (d) The extent to which assistance has been provided from other  
16 state, federal, and local sources; and

17 (e) The extent to which the facilities or activities involve  
18 ongoing monitoring efforts to measure water quality improvements over  
19 time.

20 (3) The commission shall submit a report each biennium on the use  
21 of moneys authorized in this section to the appropriate committees of  
22 the house of representatives and the senate.

23 (4) This section shall expire on June 30, 2008.

24 **Sec. 5.** RCW 70.146.075 and 1987 c 516 s 1 are each amended to read  
25 as follows:

26 (1) The department of ecology may enter into contracts with local  
27 jurisdictions which provide for extended grant payments under which  
28 eligible costs may be paid on an advanced or deferred basis. However,  
29 beginning July 1, 1995, the department shall not enter into any new  
30 extended grant payment contracts without prior legislative approval.

31 (2) Extended grant payments shall be in equal annual payments, the  
32 total of which does not exceed, on a net present value basis, fifty  
33 percent of the total eligible cost of the project incurred at the time  
34 of design and construction. The duration of such extended grant  
35 payments shall be for a period not to exceed twenty years. The total  
36 of federal and state grant moneys received for the eligible costs of  
37 the project shall not exceed fifty percent of the eligible costs.

1 (3) Any moneys appropriated by the legislature from the water  
2 quality account shall be first used by the department of ecology to  
3 satisfy the conditions of the extended grant payment contracts and  
4 shall not be considered a distribution under RCW 70.146.060 and section  
5 4 of this act.

6 **Sec. 6.** RCW 70.146.080 and 1994 sp.s. c 6 s 902 are each amended  
7 to read as follows:

8 Within thirty days after June 30, 1987, and within thirty days  
9 after each succeeding fiscal year thereafter, the state treasurer shall  
10 determine the tax receipts deposited into the water quality account for  
11 the preceding fiscal year. If the tax receipts deposited into the  
12 account in each of the fiscal years 1988 and 1989 are less than forty  
13 million dollars, the state treasurer shall transfer sufficient moneys  
14 from general state revenues into the water quality account to bring the  
15 total receipts in each fiscal year up to forty million dollars.

16 For the biennium ending June 30, 1991, if the tax receipts  
17 deposited into the water quality account and the earnings on investment  
18 of balances credited to the account are less than ninety million  
19 dollars, the treasurer shall transfer sufficient moneys from general  
20 state revenues into the water quality account to bring the total  
21 revenue up to ninety million dollars. The determination and transfer  
22 shall be made by July 31, 1991.

23 For fiscal year 1992 and for fiscal years 1995 and 1996 and  
24 thereafter, if the tax receipts deposited into the water quality  
25 account for each fiscal year are less than forty-five million dollars,  
26 the treasurer shall transfer sufficient moneys from general state  
27 revenues into the water quality account to bring the total revenue up  
28 to forty-five million dollars. Determinations and transfers shall be  
29 made by July 31 for the preceding fiscal year.

30 If the transfer of general state revenues does not occur as  
31 provided in this section, the department and the commission's  
32 appropriations for the purposes of this chapter shall each be reduced  
33 proportionately.

34 NEW SECTION. **Sec. 7.** This act is necessary for the immediate  
35 preservation of the public peace, health, or safety, or support of the  
36 state government and its existing public institutions, and shall take  
37 effect July 1, 1995."

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4 On page 1, line 1 of the title, after "distributions;" strike the  
5 remainder of the title and insert "amending RCW 70.146.020, 70.146.070,  
6 70.146.075, and 70.146.080; reenacting and amending RCW 70.146.060;  
7 adding a new section to chapter 70.146 RCW; providing an effective  
8 date; and declaring an emergency."

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