CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5448

Chapter 376, Laws of 1995

(partial veto)

54th Legislature 1995 Regular Session

PUBLIC WATER SYSTEMS REGULATION

EFFECTIVE DATE: 7/23/95 - Except Section 9 which becomes effective 7/1/95

Passed by the Senate April 23, 1995 YEAS 44 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House April 23, 1995 YEAS 94 NAYS 0

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE SENATE BILL 5448 as passed by the Senate and the House of Representatives on the dates hereon set forth.

CLYDE BALLARD

Speaker of the House of Representatives

Approved May 16, 1995, with the exception of sections 5 and 16, which are vetoed.

MARTY BROWN

Secretary

FILED

May 16, 1995 - 11:26 a.m.

MIKE LOWRY

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5448

AS RECOMMENDED BY CONFERENCE COMMITTEE

Passed Legislature - 1995 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Hochstatter, Sutherland and Winsley; by request of Department of Health)

Read first time 03/06/95.

- AN ACT Relating to public water systems; amending RCW 70.116.060,
- 2 70.119A.060, 70.119.020, 70.119.030, 70.116.050, 70.119A.040,
- 3 70.119A.130, 43.155.050, 70.116.070, 56.08.200, and 57.08.180;
- 4 reenacting and amending RCW 80.04.110; adding new sections to chapter
- 5 70.119A RCW; creating a new section; prescribing penalties; providing
- 6 an effective date; and declaring an emergency.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 NEW SECTION. **Sec. 1.** The legislature finds that:
- 9 (1) Protection of the state's water resources, and utilization of
- 10 such resources for provision of public water supplies, requires more
- 11 efficient and effective management than is currently provided under
- 12 state law;
- 13 (2) The provision of public water supplies to the people of the
- 14 state should be undertaken in a manner that is consistent with the
- 15 planning principles of the growth management act and the comprehensive
- 16 plans adopted by local governments under the growth management act;
- 17 (3) Small water systems have inherent difficulties with proper
- 18 planning, operation, financing, management and maintenance. The
- 19 ability of such systems to provide safe and reliable supplies to their

- 1 customers on a long-term basis needs to be assured through proper 2 management and training of operators;
- 3 (4) New water quality standards and operational requirements for 4 public water systems will soon generate higher rates for the customers 5 of those systems, which may be difficult for customers to afford to 6 pay. It is in the best interest of the people of this state that small 7 systems maintain themselves in a financially viable condition;
- 8 (5) The drinking water 2000 task force has recommended maintaining 9 a strong and properly funded state-wide drinking water program, 10 retaining primary responsibility for administering the federal safe 11 drinking water act in Washington. The task force has further recommended delegation of as many water system regulatory functions as 12 13 possible to local governments, with provision of adequate resources and elimination of barriers to such delegation. In order to achieve these 14 15 objectives, the state shall provide adequate funding from both general state funds and funding directly from the regulated water system; 16
 - (6) The public health services improvement plan recommends that the principal public health functions in Washington, including regulation of public water systems, should be fully funded by state revenues and undertaken by local jurisdictions with the capacity to perform them; and
- (7) State government, local governments, water suppliers, and other interested parties should work for continuing economic growth of the state by maximizing the use of existing water supply management alternatives, including regional water systems, satellite management, and coordinated water system development.
- 27 **Sec. 2.** RCW 70.116.060 and 1977 ex.s. c 142 s 6 are each amended 28 to read as follows:
- 29 (1) A coordinated water system plan shall be submitted to the 30 secretary for design approval within two years of the establishment of 31 the boundaries of a critical water supply service area.
- 32 (2) The secretary shall review the coordinated water system plan
 33 and, to the extent the plan is consistent with the requirements of this
 34 chapter and regulations adopted hereunder, shall approve the plan,
 35 provided that the secretary shall not approve those portions of a
 36 coordinated water system plan ((which)) that fail to meet the
 37 requirements for future service area boundaries until any boundary
 38 dispute is resolved as set forth in RCW 70.116.070.

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- 1 (3) Following the approval of a coordinated water system plan by 2 the secretary:
- 3 (a) All purveyors constructing or proposing to construct public 4 water system facilities within the area covered by the plan shall 5 comply with the plan.
- (b) No other purveyor shall establish a public water system within 6 7 the area covered by the plan, unless the ((secretary)) local 8 <u>legislative</u> authority determines that existing purveyors are unable to 9 provide the service in a timely and reasonable manner, pursuant to guidelines developed by the secretary. An existing purveyor is unable 10 to provide the service in a timely manner if the water cannot be 11 provided to an applicant for water within one hundred twenty days 12 unless specified otherwise by the local legislative authority. If such 13 14 a determination is made, the ((secretary may)) local legislative 15 authority shall require the new public water system to be constructed 16 in accordance with the construction standards and specifications 17 embodied in the coordinated water system plan approved for the area. The service area boundaries in the coordinated plan for the affected 18 19 utilities shall be revised to reflect the decision of the local legislative authority. 20
- 21 (4) The secretary may deny proposals to establish or to expand any 22 public water system within a critical water supply service area for 23 which there is not an approved coordinated water system plan at any 24 time after two years of the establishment of the critical water supply 25 service area: PROVIDED, That service connections shall not be 26 considered expansions.
- 27 (5) The affected legislative authorities may develop and utilize a
 28 mechanism for addressing disputes that arise in the implementation of
 29 the coordinated water system plan after the plan has been approved by
 30 the secretary.
- (6) After adoption of the initial coordinated water system plan, 31 the local legislative authority or the secretary may determine that the 32 plan should be updated or revised. The legislative authority may 33 34 initiate an update at any time, but the secretary may initiate an update no more frequently than once every five years. The update may 35 encompass all or a portion of the plan, with the scope of the update to 36 37 be determined by the secretary and the legislative authority. The process for the update shall be the one prescribed in RCW 70.116.050. 38

- 1 (7) The provisions of subsection (3) of this section shall not 2 apply in any county for which a coordinated water system plan has not
- 3 been approved under subsection (2) of this section.
- 4 (8) If the secretary initiates an update or revision of a
- 5 coordinated water system plan, the state shall pay for the cost of
- 6 <u>updating or revising the plan.</u>
- 7 **Sec. 3.** RCW 70.119A.060 and 1991 c 304 s 4 are each amended to 8 read as follows:
- 9 (1) In order to assure safe and reliable public drinking water and to protect the public health, public water systems shall:
- 11 (a) Protect the water sources used for drinking water;
- 12 (b) Provide treatment adequate to assure that the public health is 13 protected;
- 14 (c) Provide and effectively operate and maintain public water 15 system facilities;
- 16 (d) Plan for future growth and assure the availability of safe and 17 reliable drinking water;
- (e) Provide the department with the current names, addresses, and telephone numbers of the owners, operators, and emergency contact persons for the system, including any changes to this information, and provide to users the name and twenty-four hour telephone number of an emergency contact person; and
- (f) Take whatever investigative or corrective action is necessary to assure that a safe and reliable drinking water supply is continuously available to users.
- 26 (2) No new public water system may be approved or created unless: 27 (a) It is owned or operated by a satellite system management agency established under RCW 70.116.134 and the satellite system management 28 29 system complies with financial viability requirements of the 30 department; or (b) a satellite management system is not available and it is determined that the new system has sufficient management and 31 financial resources to provide safe and reliable service. The approval 32 33 of any new system that is not owned by a satellite system management 34 agency shall be conditioned upon future management or ownership by a satellite system management agency, if such management or ownership can 35 36 be made with reasonable economy and efficiency, or upon periodic review 37 of the system's operational history to determine its ability to meet

the department's financial viability and other operating requirements.

- 1 The department and local health jurisdictions shall enforce this
- 2 requirement under authority provided under this chapter, chapter
- 3 70.116, or 70.05 RCW, or other authority governing the approval of new
- 4 water systems by the department or a local jurisdiction.
- 5 (3) The department and local health jurisdictions shall carry out
- 6 the rules and regulations of the state board of health adopted pursuant
- 7 to RCW 43.20.050(2)(a) and other rules adopted by the department
- 8 relating to public water systems.
- 9 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 70.119A
- 10 RCW to read as follows:
- 11 The department shall create a water supply advisory committee.
- 12 Membership on the committee shall reflect a broad range of interests in
- 13 the regulation of public water supplies, including water utilities of
- 14 all sizes, local governments, business groups, special purpose
- 15 districts, local health jurisdictions, other state and federal
- 16 agencies, financial institutions, environmental organizations, the
- 17 legislature, and other groups substantially affected by the
- 18 department's role in implementing state and federal requirements for
- 19 public water systems. Members shall be appointed for fixed terms of no
- 20 less than two years, and may be reappointed. Any members of an
- 21 existing advisory committee to the drinking water program may remain as
- 22 members of the water supply advisory committee. The committee shall
- 23 provide advice to the department on the organization, functions,
- 24 service delivery methods, and funding of the drinking water program.
- 25 The committee shall also review the adequacy and necessity of the
- 26 current and prospective funding for the drinking water program, and the
- 27 results of the committees' review shall be forwarded to the department
- 28 for inclusion in a report to the appropriate standing committees of the
- 29 legislature no later than November 1, 1996. The report shall include
- 30 a discussion of the extent to which the drinking water program has
- 31 progressed toward achieving the objectives of the public health
- 32 improvement plan, and an assessment of any changes to the program
- 33 necessitated by modifications to the federal safe drinking water act.
- 34 *Sec. 5. RCW 70.119.020 and 1991 c 305 s 2 are each amended to
- 35 read as follows:
- 36 As used in this chapter unless context requires another meaning:

- 1 (1) "Board" means the board established pursuant to RCW 70.95B.070 2 which shall be known as the water and waste water operator 3 certification board of examiners.
 - (2) "Certificate" means a certificate of competency issued by the secretary stating that the operator has met the requirements for the specified operator classification of the certification program.
 - (3) "Certified operator" means an individual holding a valid certificate and employed or appointed by any county, water district, municipality, public or private corporation, company, institution, person, or the state of Washington and who is designated by the employing or appointing officials as the person responsible for active daily technical operation.
 - (4) "Department" means the department of health.
- (5) "Distribution system" means that portion of a public water system which stores, transmits, pumps and distributes water to consumers.
- 17 (6) "Ground water under the direct influence of surface water" 18 means any water beneath the surface of the ground with:
- 19 (a) Significant occurrence of insects or other macroorganisms, 20 algae, or large diameter pathogens such as giardia lamblia; or
 - (b) Significant and relatively rapid shifts in water characteristics such as turbidity, temperature, conductivity, or pH which closely correlate to climatological or surface water conditions.
 - (7) "Group A water system" means a system with fifteen or more service connections, regardless of the number of people; or a system serving an average of twenty-five or more people per day for sixty or more days within a calendar year, regardless of the number of service connections. Group A water system does not include a system serving fewer than fifteen single-family residences, regardless of the number of people.
 - (8) "Group B water system" means a system with more than four service connections but less than fifteen service connections and serving either: (a) An average of less than twenty-five people per day for sixty or more days within a calendar year; or (b) any number of people for less than sixty days within a calendar year.
 - (9) "Nationally recognized association of certification authorities" shall mean an organization which serves as an information center for certification activities, recommends minimum standards and guidelines for classification of potable water treatment plants, water

- distribution systems and waste water facilities and certification of 1 operators, facilitates reciprocity between state programs and assists authorities in establishing new certification programs and updating 4 existing ones.
- 5 $((\frac{9}{10}))$ <u>(10)</u> "Public water system" means any system, excluding a system serving only one single-family residence and a system with four 6 7 or fewer connections all of which serve residences on the same farm, 8 providing piped water for human consumption or domestic use, including 9 any collection, treatment, storage, or distribution facilities under 10 control of the purveyor and used primarily in connection with the system; and collection or pretreatment storage facilities not under 11 control of the purveyor but primarily used in connection with the 12 13 system.
- $((\frac{10}{10}))$ (11) "Purification plant" means that portion of a public 14 15 water system which treats or improves the physical, chemical or bacteriological quality of the system's water to bring the water into 16 17 compliance with state board of health standards.
- (((11))) (12) "Secretary" means the secretary of the department of 18 19 health.
- 20 (((12))) (13) "Service" means a connection to a public water system designed to serve a single-family residence, dwelling unit, or 21 22 equivalent use. If the facility has group home or barracks-type 23 accommodations, three persons will be considered equivalent to one 24 service.
- 25 (((13))) (14) "Surface water" means all water open to the 26 atmosphere and subject to surface runoff.
- 27 *Sec. 5 was vetoed. See message at end of chapter.

- 28 Sec. 6. RCW 70.119.030 and 1991 c 305 s 3 are each amended to read as follows: 29
- (1) A public water system shall have a certified operator if: 30
- 31 (a) ((The system serves one hundred or more services in use at any one time)) It is a group A water system; or 32
- 33 (b) It is a ((group A)) public water system using a surface water 34 source or a ground water source under the direct influence of surface 35 water.
- 36 (2) The certified operators shall be in charge of the technical direction of a water system's operation, or an operating shift of such 37 38 a system, or a major segment of a system necessary for monitoring or

- 1 improving the quality of water. The operator shall be certified as 2 provided in RCW 70.119.050.
- 3 (3) A certified operator may provide required services to more than 4 one system or to a group of systems. The amount of time that a certified operator shall be required to be present at any given system 5 shall be based upon the time required to properly operate and maintain 6 7 the public water system as designed and constructed in accordance with 8 RCW 43.20.050. The employing or appointing officials shall designate 9 the position or positions requiring mandatory certification within 10 their individual systems and shall assure that such certified operators are responsible for the system's technical operation. 11
- (4) The department shall, in establishing by rule or otherwise the 12 requirements for public water systems with fewer than one hundred 13 14 connections, phase in such requirements in order to assure that (a) an adequate number of certified operators are available to serve the 15 additional systems, (b) the systems have adequate notice and time to 16 plan for securing the services of a certified operator, (c) the 17 department has the additional data and other administrative capacity, 18 19 (d) adequate training is available to certify additional operators as necessary, and (e) any additional requirements under federal law are 20 satisfied. The department shall not require a certified operator for 21 a system with fewer than one hundred connections unless that system is 22 determined by the department to be in significant noncompliance with 23 24 monitoring, or water quality standards which would put the public health at risk, as defined by the department by rule, or has, or is 25 required to have, water treatment facilities other than simple 26 27 disinfection.
- 28 <u>(5) Any examination required by the department as a prerequisite</u>
 29 <u>for the issuance of a certificate under this chapter shall be offered</u>
 30 <u>in each region where the department has a regional office.</u>
- 31 <u>(6)</u> Operators not required to be certified by this chapter are 32 encouraged to become certified on a voluntary basis.
- 33 **Sec. 7.** RCW 70.116.050 and 1977 ex.s. c 142 s 5 are each amended to read as follows:
- 35 (1) Each purveyor within the boundaries of a critical water supply 36 service area shall develop a water system plan for the purveyor's 37 future service area if such a plan has not already been developed: 38 PROVIDED, That nonmunicipally owned public water systems are exempt

- from the planning requirements of this chapter, except for the 1 establishment of service area boundaries if they((: (a) Were in 2 existence as of September 21, 1977; and (b))) have no plans for water 3 4 service beyond their existing service area((, and (c) meet minimum 5 quality and pressure design criteria established by the state board of health)): PROVIDED FURTHER, That if the county legislative authority 6 permits a change in development that will increase the demand for water 7 8 service of such a system beyond the existing system's ability to 9 provide minimum water service, the purveyor shall develop a water 10 system plan in accordance with this section. The establishment of future service area boundaries shall be in accordance with RCW 11 70.116.070. 12
 - (2) After the boundaries of a critical water supply service area have been established pursuant to RCW 70.116.040, the committee established in RCW 70.116.040 shall participate in the development of a coordinated water system plan for the designated area. Such a plan shall incorporate all water system plans developed pursuant to subsection (1) of this section. The plan shall provide for maximum integration and coordination of public water system facilities consistent with the protection and enhancement of the public health and well-being. Decisions of the committee shall be by majority vote of those present at meetings of the committee.

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- (3) Those portions of a critical water supply service area not yet served by a public water system shall have a coordinated water system plan developed by existing purveyors based upon permitted densities in county plans, ordinances, and/or growth policies for a minimum of five years beyond the date of establishment of the boundaries of the critical water supply service area.
- 29 (4) To insure that the plan incorporates the proper designs to 30 protect public health, the secretary shall adopt regulations pursuant 31 to chapter 34.05 RCW concerning the scope and content of coordinated 32 water system plans, and shall ensure, as minimum requirements, that 33 such plans:
- 34 (a) Are reviewed by the appropriate local governmental agency to 35 insure that the plan is not inconsistent with the land use plans, 36 shoreline master programs, and/or developmental policies of the general 37 purpose local government or governments whose jurisdiction the water 38 system plan affects.

- 1 (b) Recognize all water resource plans, water quality plans, and 2 water pollution control plans which have been adopted by units of 3 local, regional, and state government.
- 4 (c) Incorporate the fire protection standards developed pursuant to 5 RCW 70.116.080.
- 6 (d) Identify the future service area boundaries of the public water 7 system or systems included in the plan within the critical water supply 8 service area.
- 9 (e) Identify feasible emergency inter-ties between adjacent 10 purveyors.
- 11 <u>(f) Include satellite system management requirements consistent</u>
 12 with RCW 70.116.134.
- 13 (g) Include policies and procedures that generally address failing
 14 water systems for which counties may become responsible under RCW
 15 43.70.195.
- 16 (5) If a "water general plan" for a critical water supply service 17 area or portion thereof has been prepared pursuant to chapter 36.94 RCW 18 and such a plan meets the requirements of subsections (1) and (4) of 19 this section, such a plan shall constitute the coordinated water system 20 plan for the applicable geographical area.
- 21 (6) The committee established in RCW 70.116.040 may develop and 22 utilize a mechanism for addressing disputes that arise in the 23 development of the coordinated water system plan.
- 24 (7) Prior to the submission of a coordinated water system plan to 25 the secretary for approval ((of the design of the proposed facilities)) 26 pursuant to RCW 70.116.060, ((the plan shall be reviewed for consistency with subsection (4) of this section by)) the legislative 27 authorities of the counties in which the critical water supply service 28 area is located <u>shall hold a public hearing thereon and shall determine</u> 29 the plan's consistency with subsection (4) of this section. If within 30 sixty days of receipt of the plan, the legislative authorities find any 31 32 segment of a proposed service area of a purveyor's plan or any segment 33 of the coordinated water system plan to be inconsistent with any current land use plans, shoreline master programs, and/or developmental 34 35 policies of the general purpose local government or governments whose jurisdiction the water system plan affects, the secretary shall not 36 37 approve that portion of the plan until the inconsistency is resolved between the local government and the purveyor. If no comments have 38

been received from the legislative authorities within sixty days of receipt of the plan, the secretary may consider the plan for approval.

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3 (8) Any county legislative authority may adopt an abbreviated plan 4 for the provision of water supplies within its boundaries that includes provisions for service area boundaries, minimum design criteria, and 5 review process. The elements of the abbreviated plan shall conform to 6 7 the criteria established by the department under subsection (4) of this 8 section and shall otherwise be consistent with other adopted land use and resource plans. The county legislative authority may, in lieu of 9 the committee required under RCW 70.116.040, and the procedures 10 authorized in this section, utilize an advisory committee that is 11 representative of the water utilities and local governments within its 12 jurisdiction to assist in the preparation of the abbreviated plan, 13 which may be adopted by resolution and submitted to the secretary for 14 15 approval. Purveyors within the boundaries covered by the abbreviated plan need not develop a water system plan, except to the extent 16 17 required by the secretary or state board of health under other authority. Any abbreviated plan adopted by a county legislative 18 19 authority pursuant to this subsection shall be subject to the same provisions contained in RCW 70.116.060 for coordinated water system 20 plans that are approved by the secretary. 21

22 **Sec. 8.** RCW 70.119A.040 and 1993 c 305 s 2 are each amended to 23 read as follows:

(1)(a) In addition to or as an alternative to any other penalty or action allowed by law, a person who violates a law or rule regulating public water systems and administered by the department of health is subject to a penalty of not more than five thousand dollars per day for every such violation, or, in the case of a violation that has been determined to be a public health emergency, a penalty of not more than ten thousand dollars per day for every such violation. Every such violation shall be a separate and distinct offense. The amount of fine shall reflect the health significance of the violation and the previous record of compliance on the part of the public water supplier. In case of continuing violation, every day's continuance shall be a separate and distinct violation.

(b) In addition, a person who constructs, modifies, or expands a public water system or who commences the construction, modification, or expansion of a public water system without first obtaining the required

- departmental approval is subject to penalties of not more than five thousand dollars per service connection, or, in the case of a system serving a transient population, a penalty of not more than four hundred dollars per person based on the highest average daily population the system <u>serves</u> or is anticipated to serve <u>may be imposed</u>. penalty that may be imposed pursuant to this subsection (1)(b) is five hundred thousand dollars. For the purpose of computing the penalty under this subsection, a service connection shall include any new service connection actually constructed, any anticipated service connection the system has been designed to serve, and, in the case of a system modification not involving expansions, each existing service connection that benefits or would benefit from the modification.
 - (c) Every person who, through an act of commission or omission, procures, aids, or abets a violation is considered to have violated the provisions of this section and is subject to the penalty provided in this section.
 - (2) The penalty provided for in this section shall be imposed by a notice in writing to the person against whom the civil penalty is assessed and shall describe the violation. The notice shall be personally served in the manner of service of a summons in a civil action or in a manner that shows proof of receipt. A penalty imposed by this section is due twenty-eight days after receipt of notice unless application for an adjudicative proceeding is filed as provided in subsection (3) of this section.
 - (3) Within twenty-eight days after notice is received, the person incurring the penalty may file an application for an adjudicative proceeding and may pursue subsequent review as provided in chapter 34.05 RCW and applicable rules of the department or board of health.
 - (4) A penalty imposed by a final administrative order is due upon service of the final administrative order. A person who fails to pay a penalty assessed by a final administrative order within thirty days of service of the final administrative order shall pay, in addition to the amount of the penalty, interest at the rate of one percent of the unpaid balance of the assessed penalty for each month or part of a month that the penalty remains unpaid, commencing with the month in which the notice of penalty was served and such reasonable attorney's fees as are incurred in securing the final administrative order.
 - (5) A person who institutes proceedings for judicial review of a final administrative order assessing a civil penalty under this chapter

- shall place the full amount of the penalty in an interest bearing 1 account in the registry of the reviewing court. At the conclusion of 2 the proceeding the court shall, as appropriate, enter a judgment on 3 4 behalf of the department and order that the judgment be satisfied to 5 the extent possible from moneys paid into the registry of the court or shall enter a judgment in favor of the person appealing the penalty 6 7 assessment and order return of the moneys paid into the registry of the 8 court together with accrued interest to the person appealing. 9 judgment may award reasonable attorney's fees for the cost of the 10 attorney general's office in representing the department.
- 11 (6) If no appeal is taken from a final administrative order 12 assessing a civil penalty under this chapter, the department may file 13 a certified copy of the final administrative order with the clerk of 14 the superior court in which the public water system is located or in 15 Thurston county, and the clerk shall enter judgment in the name of the 16 department and in the amount of the penalty assessed in the final 17 administrative order.
- (7) A judgment entered under subsection (5) or (6) of this section shall have the same force and effect as, and is subject to all of the provisions of law relating to, a judgment in a civil action, and may be enforced in the same manner as any other judgment of the court in which it is entered.
- (8) All penalties imposed under this section shall be payable to the state treasury and credited to the ((general fund)) safe drinking water account, and shall be used by the department to provide training and technical assistance to system owners and operators.
- (9) Except in cases of public health emergencies, the department may not impose monetary penalties under this section unless a prior effort has been made to resolve the violation informally.
- 30 **Sec. 9.** RCW 70.119A.130 and 1991 c 304 s 7 are each amended to 31 read as follows:
- ((Until July 1, 1996, local governments shall be prohibited from administering a separate operating permit requirement for public water systems. After July 1, 1996,)) Local governments may establish separate operating permit requirements for public water systems provided the operating permit requirements have been approved by the department. The department shall not approve local operating permit requirements unless the local system will result in an increased level

- of service to the public water system. There shall not be duplicate 1
- operating permit requirements imposed by local governments and the 2
- department. 3
- 4 NEW SECTION. Sec. 10. A new section is added to chapter 70.119A 5 RCW to read as follows:

A drinking water assistance account is created in the state 6 7 The purpose of the account is to allow the state to take advantage of any federal funds that become available for safe drinking 8 9 water. Expenditures from the account may only be made by the secretary or the public works board after appropriation. Moneys in the account 10 11 may only be used to assist water systems to provide safe drinking water 12 through a program administered through the department of health and the public works board. Money may be placed in the account from the 13 14 proceeds of bonds when authorized by the legislature, transfers from 15 other state funds or accounts, federal capitalization grants or other financial assistance, all repayments of moneys borrowed from the 16 account, all interest payments made by borrowers from the account or 17 18 otherwise earned on the account, or any other lawful source. 19 Expenditures from the account may only be made by the secretary or the public works board after appropriation. Moneys in the account may only 20 21 be used to assist local governments and water systems to provide safe 22 and reliable drinking water and to administer the program.

23 Sec. 11. RCW 43.155.050 and 1993 sp.s. c 24 s 921 are each amended to read as follows: 24

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. During the 1993-95 fiscal biennium, moneys in the public works assistance account may be appropriated for flood control assistance including grants under chapter 86.26 RCW. To the extent that moneys in the public works 37 assistance account are not appropriated during the 1993-95 fiscal

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biennium for public works or flood control assistance, the legislature 1 may direct their transfer to the state general fund. 2 In awarding grants under chapter 86.26 RCW, the department of ecology shall give 3 4 strong preference to local governments that have: (1) Implemented, or are in the process of implementing, an ordinance that establishes a 5 flood plain policy that is substantially more stringent than minimum 6 7 federal requirements; (2) completed a comprehensive flood control plan 8 meeting the requirements of RCW 86.12.200; or (3) constructed, or are 9 in the process of constructing, a system of overtopping dikes or levees 10 that allow public access.

Sec. 12. RCW 80.04.110 and 1991 c 134 s 1 and 1991 c 100 s 2 are each reenacted and amended to read as follows:

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(1) Complaint may be made by the commission of its own motion or by 13 14 any person or corporation, chamber of commerce, board of trade, or any 15 commercial, mercantile, agricultural or manufacturing society, or any 16 body politic or municipal corporation, or by the public counsel section of the office of the attorney general, or its successor, by petition or 17 18 complaint in writing, setting forth any act or thing done or omitted to 19 be done by any public service corporation in violation, or claimed to be in violation, of any provision of law or of any order or rule of the 20 21 PROVIDED, That no complaint shall be entertained by the 22 commission except upon its own motion, as to the reasonableness of the 23 schedule of the rates or charges of any gas company, electrical 24 company, water company, or telecommunications company, unless the same 25 be signed by the mayor, council or commission of the city or town in which the company complained of is engaged in business, or not less 26 27 than twenty-five consumers or purchasers of such gas, electricity, water or telecommunications service, or at least twenty-five percent of 28 29 the consumers or purchasers of the company's service: 30 FURTHER, That when two or more public service corporations, (meaning to exclude municipal and other public corporations) are engaged in 31 competition in any locality or localities in the state, either may make 32 complaint against the other or others that the rates, charges, rules, 33 34 regulations or practices of such other or others with or in respect to competition, are complainant is in 35 which the unreasonable, 36 unremunerative, discriminatory, illegal, unfair or intending or tending 37 to oppress the complainant, to stifle competition, or to create or 38 encourage the creation of monopoly, and upon such complaint or upon

- 1 complaint of the commission upon its own motion, the commission shall
- 2 have power, after notice and hearing as in other cases, to, by its
- 3 order, subject to appeal as in other cases, correct the abuse
- 4 complained of by establishing such uniform rates, charges, rules,
- 5 regulations or practices in lieu of those complained of, to be observed
- 6 by all of such competing public service corporations in the locality or
- 7 localities specified as shall be found reasonable, remunerative,
- 8 nondiscriminatory, legal, and fair or tending to prevent oppression or
- 9 monopoly or to encourage competition, and upon any such hearing it
- 10 shall be proper for the commission to take into consideration the
- 11 rates, charges, rules, regulations and practices of the public service
- 12 corporation or corporations complained of in any other locality or
- 13 localities in the state.
- 14 (2) All matters upon which complaint may be founded may be joined
- 15 in one hearing, and no motion shall be entertained against a complaint
- 16 for misjoinder of complaints or grievances or misjoinder of parties;
- 17 and in any review of the courts of orders of the commission the same
- 18 rule shall apply and pertain with regard to the joinder of complaints
- 19 and parties as herein provided: PROVIDED, All grievances to be
- 20 inquired into shall be plainly set forth in the complaint. No
- 21 complaint shall be dismissed because of the absence of direct damage to
- 22 the complainant.
- 23 (3) Upon the filing of a complaint, the commission shall cause a
- 24 copy thereof to be served upon the person or corporation complained of,
- 25 which shall be accompanied by a notice fixing the time when and place
- 26 where a hearing will be had upon such complaint. The time fixed for
- 27 such hearing shall not be less than ten days after the date of the
- 28 service of such notice and complaint, excepting as herein provided.
- 29 The commission shall enter its final order with respect to a complaint
- 30 filed by any entity or person other than the commission within ten
- 31 months from the date of filing of the complaint, unless the date is
- 32 extended for cause. Rules of practice and procedure not otherwise
- 33 provided for in this title may be prescribed by the commission. Such
- 34 rules may include the requirement that a complainant use informal
- 35 processes before filing a formal complaint.
- 36 (4) The commission shall, as appropriate, audit a nonmunicipal
- 37 water system upon receipt of an administrative order from the
- 38 department, or the city or county in which the water system is located,
- 39 finding that the water delivered by a system does not meet state board

of health standards adopted under RCW 43.20.050(2)(a) or standards adopted under chapters 70.116 and 70.119A RCW, and the results of the audit shall be provided to the requesting department, city, or county. However, the number of nonmunicipal water systems referred to the commission in any one calendar year shall not exceed twenty percent of the water companies subject to commission regulation as defined in RCW 80.04.010.

Every nonmunicipal water system referred to the commission for audit under this section shall pay to the commission an audit fee in an amount, based on the system's twelve-month audited period, equal to the fee required to be paid by regulated companies under RCW 80.24.010.

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(5) Any customer or purchaser of service from a water system or company that is subject to commission regulation may file a complaint with the commission if he or she has reason to believe that the water delivered by the system to the customer does not meet state drinking water standards under chapter 43.20 or 70.116 RCW. The commission shall investigate such a complaint, and shall request that the state department of health or local health department of the county in which the system is located test the water for compliance with state drinking water standards, and provide the results of such testing to the commission. The commission may decide not to investigate the complaint if it determines that the complaint has been filed in bad faith, or for the purpose of harassment of the water system or company, or for other reasons has no substantial merit. The water system or company shall bear the expense for the testing. After the commission has received the complaint from the customer and during the pendency of the commission investigation, the water system or company shall not take any steps to terminate service to the customer or to collect any amounts alleged to be owed to the company by the customer. The commission may issue an order or take any other action to ensure that no such steps are taken by the system or company. The customer may, at the customer's option and expense, obtain a water quality test by a licensed or otherwise qualified water testing laboratory, of the water delivered to the customer by the water system or company, and provide the results of such a test to the commission. If the commission determines that the water does not meet state drinking water standards, it shall exercise its authority over the system or company as provided in this title, and may, where appropriate, order a refund to the customer on a pro rata basis for the substandard water delivered to the

- $1\,$ customer, and shall order reimbursement to the customer for the cost
- 2 incurred by the customer, if any, in obtaining a water quality test.
- 3 **Sec. 13.** RCW 70.116.070 and 1977 ex.s. c 142 s 7 are each amended 4 to read as follows:
- (1) The <u>proposed</u> service area boundaries of public water systems 5 within the critical water supply service area that are required to 6 7 submit water system plans under this chapter shall be ((determined by 8 written agreement among the purveyors and with the approval of the appropriate legislative authority. Failure of the legislative 9 authority to file with the secretary objections to the proposed service 10 11 area boundaries within sixty days of receipt of the proposed boundary 12 agreement may be construed as approval of the agreement)) identified in the system's plan. The local legislative authority, or its planning 13 department or other designee, shall review the proposed boundaries to 14 determine whether the proposed boundaries of one or more systems 15 overlap. The boundaries determined by the local legislative authority 16 not to overlap shall be incorporated into the coordinated water system 17 18 plan. Where any overlap exists, the local legislative authority may attempt to resolve the conflict through procedures established under 19 RCW 70.116.060(5). 20
- (2) ((If no service area boundary agreement has been established 21 within a reasonable period of time, or if the legislative authority has 22 23 filed with the secretary objections in writing as provided in subsection (1) of this section)) Any final decision by a local 24 25 legislative authority regarding overlapping service areas, or any unresolved disputes regarding service area boundaries, may be appealed 26 27 or referred to the secretary in writing for resolution. After receipt of an appeal or referral, the secretary shall hold a public hearing 28 29 thereon. The secretary shall provide notice of the hearing by 30 certified mail to each purveyor ((providing service in the critical water supply service area)) involved in the dispute, to each county 31 legislative authority having jurisdiction in the area and to the 32 33 The secretary shall provide public notice pursuant to the provisions of chapter 65.16 RCW. Such notice shall be given at least 34 twenty days prior to the hearing. The hearing may be continued from 35 36 time to time and, at the termination thereof, the secretary may restrict the expansion of service of any purveyor within the area if 37

- 1 the secretary finds such restriction is necessary to provide the
- 2 greatest protection of the public health and well-being.
- 3 **Sec. 14.** RCW 56.08.200 and 1991 c 190 s 1 are each amended to read 4 as follows:
- 5 It is unlawful and a misdemeanor to make, or cause to be made, or
- 6 to maintain any ((sewer)) connection with any sewer or water system of
- 7 any sewer district, or with any sewer or water system which is
- 8 connected directly or indirectly with any sewer or water system of any
- 9 sewer district without having permission from the sewer district.
- 10 **Sec. 15.** RCW 57.08.180 and 1991 c 190 s 5 are each amended to read 11 as follows:
- 12 It is unlawful and a misdemeanor to make, or cause to be made, or
- 13 to maintain any ((sewer)) connection with any sewer or water system of
- 14 any water district, or with any sewer or water system which is
- 15 connected directly or indirectly with any sewer or water system of any
- 16 water district without having permission from the water district.
- 17 *NEW SECTION. Sec. 16. A new section is added to chapter 70.119A
- 18 RCW to read as follows:
- 19 An individual well serving a group domestic use shall be allowed to
- 20 provide water service connections for up to a number equal to the
- 21 approved maximum daily withdrawal amount for the well as determined by
- 22 the water right divided by four hundred. The department may approve a
- 23 greater number of service connections based on a factor of less than
- 24 four hundred gallons per day delivered to each residence.
- 25 *Sec. 16 was vetoed. See message at end of chapter.
- 26 NEW SECTION. Sec. 17. Section 9 of this act is necessary for the
- 27 immediate preservation of the public peace, health, or safety, or
- 28 support of the state government and its existing public institutions,
- 29 and shall take effect July 1, 1995.

Passed the Senate April 23, 1995.

Passed the House April 23, 1995.

Approved by the Governor May 16, 1995, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State May 16, 1995.

1 Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 5 and 16, Engrossed Second Substitute Senate Bill No. 5448 entitled:

"AN ACT Relating to public water systems;"

I praise the hard work and commitment of the legislature in passing Engrossed Second Substitute Senate Bill No. 5448 as well as the Drinking Water 2000 Task Force for their recommendations to the legislature to assure that Washington residents continue to have access to safe drinking water.

This bill makes a number of statutory changes to improve operation and management of small drinking water systems, to clarify coordinated water system planning processes and responsibilities, and to enhance local government decision-making regarding water systems -- a critical component of local land use planning.

Section 5 of Engrossed Second Substitute Senate Bill No. 5448 attempts to exclude water systems of two, three, or four connections from all state or local regulations. However, the statute amended by this section does not affect the regulatory authority of state or local jurisdictions over these small systems and, therefore, provides incomplete and unclear policy direction.

Section 16 of Engrossed Second Substitute Senate Bill No. 5448 would double the number of connections that can be made to a 5,000 gallon per day exempt well from 6 to 12. The 6 connections now allowed are based on the Department of Health's (DOH) water system sizing criteria. DOH is in the process of reviewing sizing criteria to more accurately reflect the needs of specific water system designs. Arbitrarily increasing the number of connections from 6 to 12 circumvents the process already underway and may have unintended impacts on public water systems.

For these reasons, I am vetoing sections 5 and 16 of Engrossed 31 Second Substitute Senate Bill No. 5448.

With the exception of sections 5 and 16, Engrossed Second Substitute Senate Bill No. 5448 is approved."