

SENATE BILL REPORT

ESHB 2088

As Reported By Senate Committee On:
Natural Resources, Energy & Water, April 4, 2003

Title: An act relating to storm water rates and charges.

Brief Description: Revising provisions relating to storm water rates and charges.

Sponsors: House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Schoesler, Chandler and Linville).

Brief History:

Committee Activity: Natural Resources, Energy & Water: 3/27/03, 4/4/03 [DPA, DNP].

SENATE COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER

Majority Report: Do pass as amended.

Signed by Senators Morton, Chair; Hewitt, Vice Chair; Doumit, Fraser, Hale, Hargrove and Honeyford.

Minority Report: Do not pass.

Signed by Senator Regala.

Staff: Evan Sheffels (786-7486)

Background: Storm water sewer facilities may be operated by a variety of local governments, including counties, cities, towns, and water-sewer districts. Generally, the authority to operate these systems includes the power to construct, acquire, maintain and operate sites and facilities for storm water drainage. Local governments operating such facilities are generally given full authority to establish the rates and charges for the service and facilities.

According to state law, rates and charges must be uniform for the same class of customers or service and facility. However, state statutes specify a variety of factors that may be considered when developing these rates and charges, including:

- services furnished;
- benefits received;
- land's character, use, or water runoff characteristics;
- land user's nonprofit public benefit status;
- land user's income level; or
- other matters presenting a reasonable difference as a ground for distinction.

Summary of Amended Bill: Local governments operating storm water sewer facilities must reduce rates and charges for those facilities by a minimum of 10 percent for any new or remodeled commercial building that utilizes a properly sized permissive rainwater harvesting

system. Greater reductions in rates shall be considered depending upon the amount of rainwater harvested. Provisions are included in storm water sewer facilities statutes applicable to counties, cities, towns, water-sewer districts, and county flood control zone districts.

Counties are prohibited from imposing storm water sewer system rates and charges on lands taxed as either forest land or as timber land according to state law. Provisions specifying this prohibition are included in county storm water sewer system and forest land valuation and assessments statutes.

Amended Bill Compared to Substitute Bill: The reference to Building Code Council guidelines was removed. Requirements that rainwater harvesting systems be properly sized and that rate reductions greater than 10 percent be considered were added.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill includes an innovative way to give commercial developers incentives to get water needed to run buildings, reduce storm water runoff, and possibly promote infiltration. The guidelines can significantly reduce water use and mitigate storm water impacts. The bill clarifies that storm water fees cannot be applied to forest lands, which was the intent behind legislation enacted in 1992. Only one county applies these charges to forest lands. Forest land, with few impervious surfaces, is part of the solution to storm water management problems and does not produce a lot of storm water runoff. Concerns: Incentives should be supported but considered at the local level. A rate discount is an interesting approach; 10 percent may not be the right number.

Testimony Against: Local governments must rely on storm water fees to pay for this work. The fiscal growth factor limitation shifts costs to local government general funds, and many of those funds are already stretched. A cap on storm water fees is not appropriate. The rain water harvesting incentive and forest lands exemption provisions should be matters of local control.

Testified: PRO: Representative Schoesler, prime sponsor; John Ehrenreich, Washington Forest Protection Association; Willy O'Neil, Associated General Contractors of Washington; and Grant Nelson, Association of Washington Business. PRO WITH CONCERNS: Paul Parker, Washington State Association of Counties; Bruce Wishart, People for Puget Sound; Curt Crawford, King County. CON: George Walk, Pierce County; Mark Blosser, City of Olympia.