## CERTIFICATION OF ENROLLMENT

#### SUBSTITUTE SENATE BILL 5364

Chapter 102, Laws of 2011

62nd Legislature 2011 Regular Session

### PUBLIC WATER SYSTEMS--OPERATING PERMITS

EFFECTIVE DATE: 07/22/11

Passed by the Senate March 2, 2011 CERTIFICATE YEAS 28 NAYS 21 I, Thomas Hoemann, Secretary of the Senate of the State of BRAD OWEN Washington, do hereby certify that the attached is **SUBSTITUTE SENATE** President of the Senate BILL 5364 as passed by the Senate and the House of Representatives Passed by the House April 7, 2011 YEAS 52 NAYS 40 on the dates hereon set forth. THOMAS HOEMANN FRANK CHOPP Secretary Speaker of the House of Representatives Approved April 18, 2011, 2:23 p.m. FILED April 19, 2011

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

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#### SUBSTITUTE SENATE BILL 5364

Passed Legislature - 2011 Regular Session

State of Washington

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2011 Regular Session

By Senate Environment, Water & Energy (originally sponsored by Senators Swecker, Pridemore, Fraser, Nelson, Honeyford, Shin, and Morton; by request of Department of Health)

READ FIRST TIME 02/09/11.

- AN ACT Relating to public water system operating permits; and amending RCW 70.119A.110.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 70.119A.110 and 2003 1st sp.s. c 5 s 18 are each 5 amended to read as follows:
  - (1) No person may operate a group A public water system unless the person first submits an application to the department and receives an operating permit as provided in this section. A new application must be submitted upon any change in ownership of the system. ((Any person operating a public water system on July 28, 1991, may continue to operate the system until the department takes final action, including any time necessary for a hearing under subsection (3) of this section, on a permit application submitted by the person operating the system under the rules adopted by the department to implement this section.))
  - (2) The department may require that each application include the information that is reasonable and necessary to determine that the system complies with applicable standards and requirements of the federal safe drinking water act, state law, and rules adopted by the department or by the state board of health.

p. 1 SSB 5364.SL

- (3) Following its review of the application, its supporting material, and any information received by the department in its investigation of the application, the department shall issue or deny the operating permit. The department shall act on initial permit applications as expeditiously as possible, and shall in all cases either grant or deny the application within one hundred twenty days of receipt of the application or of any supplemental information required to complete the application. The applicant for a permit shall be entitled to file an appeal in accordance with chapter 34.05 RCW if the department denies the initial or subsequent applications or imposes conditions or requirements upon the operator. Any operator of a public water system that requests a hearing may continue to operate the system until a decision is issued after the hearing.
  - (4) At the time of initial permit application or at the time of permit renewal the department may impose such permit conditions, requirements for system improvements, and compliance schedules as it determines are reasonable and necessary to ensure that the system will provide a safe and reliable water supply to its users.
  - (5) Operating permits shall be issued for a term of one year, and shall be renewed annually, unless the operator fails to apply for a new permit or the department finds good cause to deny the application for renewal.
- (6) Each application shall be accompanied by an annual fee ((as follows:
  - (a) The annual fee for public water supply systems serving fifteen to forty nine service connections shall be twenty-five dollars.
  - (b) The annual fee for public water supply systems serving fifty to three thousand three hundred thirty three service connections shall be based on a uniform per service connection fee of one dollar and fifty cents per service connection.
  - (c) The annual fee for public water supply systems serving three thousand—three—hundred—thirty—four—to—fifty—three—thousand—three hundred thirty—three—service—connections shall—be based on a uniform per service—connection—fee—of—one—dollar—and—fifty—cents—per—service—connection—plus—ten—cents—for—each—service—connection—in—excess—of three—thousand—three—hundred—thirty—three—service—connections.
    - (d) The annual fee for public water supply systems serving fifty-

three thousand three hundred thirty-four-or-more service connections shall be ten thousand dollars.

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- (e)—In—addition—to—the—fees—under—(a)—through—(d)—of—this subsection,—the—department—may—charge—an—additional—one—time—fee—of five dollars for each service connection in a new water system.
- (f) Until June 30, 2007, in addition to the fees under (a) through (e)-of-this-subsection, the department-may-charge-municipal-water suppliers, as defined-in-RCW-90.03.015, an additional-annual-fee equivalent to twenty five cents for each residential service connection for the purpose of funding the water-conservation activities in RCW 70.119A.180)).
- 12 (7) The department shall adopt rules, in accordance with chapter 13 34.05 RCW, necessary to implement this section.
  - (8) The department shall establish by rule categories of annual operating permit fees based on system size, complexity, and number of service connections. Fees charged must be sufficient to cover, but may not exceed, the costs to the department of administering a program for safe and reliable drinking water. The department shall use operating permit fees to monitor and enforce compliance by group A public water systems with state and federal laws that govern planning, water use efficiency, design, construction, operation, maintenance, financing, management, and emergency response.
  - ((<del>(7)</del>)) (9) The annual per-connection fee may not exceed one dollar and fifty cents. The department ((may)) shall phase-in ((the)) implementation ((for any group of systems provided)) of any annual fee increase greater than ten percent, and shall establish the schedule for implementation ((is established)) by rule. ((Prior to implementing the operating-permit-requirement-on-water-systems-having-less-than-five hundred-service-connections, -the-department-shall-form-a-committee composed of persons operating these systems. The committee shall be composed of the department of health, two operators of water systems having under one hundred connections, two operators of water systems having-between-one-hundred-and-two-hundred-service-connections,-two operators of water systems having between two hundred and three hundred service-connections,-two-operators-of-water-systems-having-between three hundred and four hundred service connections, two operators of water-systems-having-between-four-hundred-and-five-hundred-service connections, and two county public health officials. The members shall

- be-chosen-from-different-geographic-regions-of-the-state. This
  committee-shall-develop-draft-rules-to-implement-this-section. The
  draft-rules-will-then-be-subject-to-the-rule-making-procedures-in
  accordance-with-chapter-34.05-RCW.)) Rules\_established\_by\_the
  department prior to 2020 must limit the annual operating permit fee for
  any\_public\_water\_system\_to\_no\_greater\_than\_one\_hundred\_thousand
  dollars.
  - ((+8))) (10) The department shall notify existing public water systems of the requirements of RCW 70.119A.030, 70.119A.060, and this section at least one hundred twenty days prior to the date that an application for a permit is required pursuant to RCW 70.119A.030, 70.119A.060, and this section.
  - approved satellite system management agency. Operating permit to any approved satellite system management agency. Operating permit fees for approved satellite system management agencies ((shall be one dollar per connection-per-year-for-the-total-number-of-connections-under-the management-of-the-approved-satellite-agency. The-department-shall define-by-rule-the-meaning-of-the-term-"satellite-system-management agency." If-a-statutory-definition-of-this-term-exists,-then-the department-shall-adopt-by-rule-a-definition-consistent-with-the statutory definition)) must be established by the department by rule. Rules established by the department must set a single fee based on the total number of connections for all group A public water systems owned by a satellite management agency.
    - (((10))) (12) For purposes of this section, "group A public water system" and "system" mean those water systems 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.

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Passed by the Senate March 2, 2011.
Passed by the House April 7, 2011.
Approved by the Governor April 18, 2011.
Filed in Office of Secretary of State April 19, 2011.
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