

SENATE BILL REPORT

SB 5505

As Reported by Senate Committee On:
Transportation, February 13, 2019

Title: An act relating to the use of local stormwater charges paid by the department of transportation.

Brief Description: Addressing the use of local stormwater charges paid by the department of transportation.

Sponsors: Senators Hobbs, King and Fortunato.

Brief History:

Committee Activity: Transportation: 2/05/19, 2/13/19 [DP, w/oRec, DNP].

Brief Summary of Bill

- Specifies that Washington State Department of Transportation (DOT) stormwater fees to local government utilities must be used for facilities and best management practice implementation focused only on state highway runoff.
- Reinstates the requirement for local government utilities to provide an expenditure plan and annual progress report before receiving DOT stormwater fees.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member; Cleveland, Das, Fortunato, Nguyen, Randall, Takko, Wilson, C. and Zeiger.

Minority Report: That it be referred without recommendation.

Signed by Senators O'Ban and Padden.

Minority Report: Do not pass.

Signed by Senator Lovelett.

Staff: Erica Bramlet (786-7321)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background: DOT designs and constructs stormwater control facilities for their state highway right-of-ways that collect and transport excess rain water off-site to a river or stream while filtering the water and controlling the flow to prevent flooding. DOT must manage stormwater discharges for state highways, rest areas, and other transportation facilities according to National Pollutant Discharge Elimination System standards administered in Washington by the Department of Ecology. Not all of the runoff from state highways is pre-treated by the stormwater control facilities, and some may end up in a local government utility system comingled with non-DOT runoff.

Since 2014, the statute has allowed local government utilities to use the fees charged to DOT for stormwater control regardless of whether the runoff impacts are directly related to state highways. The rate charged to DOT for stormwater treatment may not exceed 30 percent of the rate for comparable real property, and may not be greater than the rate charged to comparable city and county roads. DOT and a local government utility may also agree to a higher or lower rate.

Summary of Bill: Local government utilities are directed to use DOT stormwater fees solely for stormwater control facilities or best management practices that directly reduce state highway runoff impacts. The local government utilities must provide an expenditure plan for the upcoming year and progress report for the prior year before January 1st each year, beginning in 2020, in order to receive DOT's stormwater fees.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: Since this policy changed, city and county charges to DOT have doubled, from about \$2 million to \$4 million per year. The state transportation budget does not have the capacity to give money to the counties anymore. DOT is already required to manage and treat their stormwater runoff in the same way that cities and counties do, and they have been increasing their spending on stormwater projects on DOT right-of-way to \$15 million per biennium. DOT is supportive of paying the fees to cities and counties when the projects mitigate runoff from state highways as the bill outlines.

CON: This bill adds back in red tape and reduces flexibility for local governments. A Joint Transportation Committee study from 2012 found that many jurisdictions did not charge DOT because the annual reporting was too much of a hassle. The state already pays a lower rate for stormwater treatment than other impervious surface owners, including themselves. The state should not cover holes in their budget by moving costs to the local governments, especially when the stormwater fees have a nexus to the service provided.

Persons Testifying: PRO: Senator Steve Hobbs, Prime Sponsor; Pasco Bakotich, DOT.

CON: Michael Shaw, American Public Works Association; Logan Bahr, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: No one.