Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Environment & Energy Committee

SB 5585

Brief Description: Setting domestic wastewater discharge fees.

Sponsors: Senators Rolfes and Das; by request of Department of Ecology.

Brief Summary of Bill

- Removes an annual cap on permit fees established by the Department of Ecology (Ecology) and charged to municipalities for operating sewage systems and discharging wastewater from treatment facilities into state waters.
- Creates an advisory committee to provide recommendations to Ecology for adjusting wastewater discharge permit fees charged to municipalities by December 31, 2022.

Hearing Date: 2/18/22

Staff: Megan McPhaden (786-7114).

Background:

Wastewater Discharge Permits and Fees.

The Department of Ecology (Ecology) has delegated authority from the United States Environmental Protection Agency to carry out the federal Clean Water Act in Washington. As part of this responsibility, Ecology issues required National Pollutant Discharge Elimination System (NPDES) wastewater discharge permits, except for federally owned facilities and for permits on tribal lands. National Pollutant Discharge Elimination System permits regulate discharges to surface water from commercial industry or publicly owned treatment works, also referred to as municipal wastewater treatment facilities. The wastewater discharge permits administered by Ecology place limits on the quantity and concentrations of contaminants that

House Bill Analysis - 1 - SB 5585

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may be discharged. The permits may also require wastewater treatment or impose operating or other conditions, including monitoring, reporting, and spill prevention planning.

Ecology establishes fees for several types of permits for discharging waste into state waters, including for:

- commercial and industrial operations;
- counties, municipalities, or public corporations operating or proposing to operate sewage systems; and
- the NPDES program, including municipal wastewater treatment facilities.

These permit fees may not be adjusted more than once every two years, and are intended to cover, but not exceed, Ecology's costs related to administering permits and ensuring permitted facilities are in compliance with their wastewater discharge pollution limits. Ecology must consider the economic impact of fees on small dischargers and must provide appropriate adjustments when establishing fees.

Permit fees for municipalities to discharge waste from wastewater treatment facilities or sewage systems are capped at \$0.18 per month per residence or residential equivalent contributing to a municipality's wastewater system. This fee cap was first established in 1989 at \$0.05, increased to \$0.15 in 1991, and then to \$0.18 in 2009.

Summary of Bill:

Municipal Wastewater Treatment and Discharge Permit Fees.

The permit fee cap for municipalities to discharge waste from wastewater treatment facilities or sewage systems into state waters is removed.

Advisory Committee to Recommend Permit Fee Updates.

Ecology must form an advisory committee to recommend adjustments to the fee schedule for municipal, county, and public corporation permits for sewage systems and water treatment facilities that discharge waste into state waters. Members of the advisory group are appointed by the Director of Ecology or the Director's designee and include representatives from permitted facilities, nonprofit environmental organizations, a statewide association representing cities, a statewide association representing counties, and a statewide business association.

The advisory committee must submit a report with their recommendations to Ecology by December 31, 2022. The report must:

- recommend fees needed to fully cover the expenses incurred by Ecology from administering water quality permits;
- assess municipal wastewater permitting backlogs and permit workloads;
- assess service levels required to meet state and federal legal mandates and needs of permittees;
- assess the staffing and revenue needed to support those service levels; and
- recommend how to structure the underlying permit fees and the timing and sequence of

adjustments.

Ecology must use the recommendations provided by the advisory committee as the basis for its 2023 updates to the water quality permit fees.

The advisory committee and its requirements expire on January 1, 2024.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is

passed.