
Appropriations Committee

HB 2237

Brief Description: Concerning water discharge fees.

Sponsors: Representatives Linville, Chandler and Fromhold.

Brief Summary of Bill

- Extends for two years the permit fee limitation for discharge permits for application of aquatic pesticides.

Hearing Date: 4/3/03

Staff: Patricia Linehan (786-7178).

Background:

Federal and State Discharge Permits

The federal Clean Water Act (CWA) sets a national goal to restore and maintain the chemical, physical, and biological integrity of the nation's waters and to eliminate discharge of pollutants into navigable waters. The CWA establishes the National Pollution Discharge Elimination System (NPDES) permit system to regulate wastewater discharges from point sources to surface waters. NPDES permits are required for anyone who discharges wastewater to surface waters or who has a significant potential to impact surface waters.

Washington's Department of Ecology (DOE) has been delegated authority by the United States Environmental Protection Agency (EPA) to administer NPDES permits. The DOE also administers state discharge permits. State permits are required for anyone who discharges waste materials from a commercial or industrial operation to ground or publicly-owned treatment plants and for municipalities that discharge to ground. The DOE issues both individual permits (covering single, specific activities or facilities) and general permits (covering a category of similar dischargers) in the state and the NPDES permit programs.

A wastewater discharge permit places limits on the quantity and concentrations of contaminants that may be discharged. Permits may require wastewater treatment or impose operating or other conditions, including monitoring, reporting, and spill prevention planning.

The DOE establishes annual fees to collect expenses for issuing and administering state and NPDES discharge permits. Fees must be based on factors relating to the complexity of permit issuance and compliance and must be established to fully recover, but not exceed expenses of:

- Processing permit applications and modifications;
- monitoring and evaluating compliance with permits;
- conducting inspections;
- securing laboratory analysis of samples taken during inspections;
- reviewing plans and documents directly related to permittees' operations;
- overseeing performance of delegated pretreatment programs; and
- supporting overhead expenses directly related to these activities.

Fees may be based on pollutant loading and toxicity and may be designed to encourage recycling and reduction of pollutant quantity. Fees collected are deposited into the Water Quality Permit Account.

Aquatic Pesticides

The federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) regulates pesticide use, sales, and labeling. The FIFRA requires that all pesticides and herbicides sold in the United States be registered with the EPA. The EPA has authority under the FIFRA to approve the label under which the product is marketed. The EPA also has authority for enforcement under the FIFRA.

Aquatic pesticides are chemicals that kill, attract, repel, or control the growth of aquatic pests. The DOE issues administrative orders for short-term water quality standards modifications when pesticides are applied in or near waterways.

Headwaters, Inc. v. Talent Irrigation District

The Ninth Circuit Court of Appeals (Ninth Circuit) is a federal appellate court with jurisdiction over cases filed in federal district courts in Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington. In March 2001 the Ninth Circuit determined the registration and labeling requirements of the FIFRA did not preclude the need for a NPDES permit under the CWA. *Headwaters, Inc. v. Talent Irrigation District*, 243 F.3d 526 (2001). In the Talent case, an Oregon irrigation district's direct application of Magnacide H, an aquatic herbicide, to an irrigation canal without a NPDES permit was challenged after dead fish were found in a creek downstream from the canal's leaking waste gate. The Ninth Circuit concluded in *Talent* that the herbicide application met the four-part test for establishing a violation of the CWA's NPDES permit requirement: A showing that a defendant (1) discharged (2) a pollutant (3) to navigable waters (4) from a point source. Further, the Ninth Circuit determined in *Talent* that the EPA-approved label on the herbicide did not eliminate the irrigation district's obligation to obtain a NPDES permit.

Department of Ecology Permit Development

In October 2001 the DOE issued notice of development of NPDES permits for the use of aquatic pesticides in lakes, rivers, and estuaries in this state. Permits were developed for:

- Aquatic plant management in irrigation ditches;
- mosquito larva control in still waters;
- aquatic plant management in lakes and streams;

- burrowing shrimp control on oyster beds;
- noxious emergent plant management in wetlands and shorelines;
- nuisance plant management in ditch banks and mitigated wetlands; and
- fish management in lakes.

Legislation was enacted in 2002 to establish a maximum discharge permit fee of \$300 for any permit fee and costs required solely as a result of the Ninth Circuit Court of Appeals' decision in *Headwaters, Inc. v. Talent Irrigation District*. The cap expires June 30, 2003.

Initiative 601, adopted by the voters in 1993, requires prior legislative approval before an agency may increase fees in excess of the fiscal growth factor. The fiscal growth factor is a three-year rolling average of population growth plus inflation.

Summary of Bill:

Extends, until June 30, 2005, the \$300 maximum discharge permit fee for discharge permits that were developed by the DOE after the Ninth Circuit Court of Appeals decision in 2001.

Appropriation: None.

Fiscal Note: Requested on April 1, 2003.

Effective Date: The bill contains an emergency clause and takes effect immediately.