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**Agriculture & Natural Resources  
Committee**

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**SB 5940**

**Brief Description:** Concerning publicly owned industrial wastewater treatment facilities.

**Sponsors:** Senator Honeyford.

**Brief Summary of Bill**

- Adds publicly owned industrial wastewater treatment facilities to the list of permitted purposes for which the Department of Ecology may issue grants or loans to public bodies to control water pollution.

**Hearing Date:** 3/19/09

**Staff:** Anna Jackson (786-7190)

**Background:**

Water Pollution Control Facilities.

A water pollution control facility (Control Facility) is defined in statute as any facility or system used for the control, collection, storage, treatment, disposal, or recycling of wastewater [RCW 70.146.020(4)]. Wastewater includes sanitary sewage, storm water, and residential, commercial, industrial, and agricultural wastes that are causing water pollution [RCW 70.146.020(4)]. Control Facilities include all equipment, utilities, structures, real property, and interests in and improvements to real property related to the control, collection, storage, treatment, disposal, or recycling of wastewater [RCW 70.146.020(4)].

The Department of Ecology (DOE) is authorized to issue and administer grants or loans from funds in the state Water Quality Account to public bodies for Control Facilities and related activities, to assist a public body in obtaining an ownership interest in Control Facilities, or to defray part of the payments made by a public body to a service provider under a service agreement [RCW 70.146.030(2)]. Public bodies include the state or any agency, county, city,

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town, conservation district, other political subdivision, municipal corporation, quasi-municipal corporation, or a federally recognized Indian tribe [RCW 70.146.020].

The DOE is required to consider a number of factors when making grants or loans for Control Facilities, such as the protection of water quality and public health, the cost to residential ratepayers if they had to finance Control Facilities without state assistance, actions required under federal and state permits, and whether the entity receiving assistance is a Puget Sound Partner or is recognized in the Evergreen Community Recognition Program [RCW 70.146.070 (1)]. In addition, a county, city, or town governed by the Growth Management Act (Act) may not receive a grant or loan for Control Facilities unless it has adopted a comprehensive plan and development regulations as required under the Act [RCW 70.146.070(2)].

#### Water Pollution Control Projects.

Similarly, the DOE is authorized to issue and administer grants from appropriations authorized by the Legislature to any municipal or public corporation or political subdivision of the state to aid in the construction of water pollution control projects (Control Projects) that are necessary to prevent the discharge of untreated or inadequately treated sewage or other waste into waters of the state [RCW 90.48.290]. These grants are subject to certain limitations, including that the amount of the grant may not exceed the recipient's contribution to the estimated cost of the project, and that no grant may be made for any Control Project that does not receive a federal grant under the federal Clean Water Act (CWA) [RCW 90.48.290]. The latter restriction does not apply to state grants made in any biennium over and above the amount of such grants required to match all federal funds allocated to the state for that biennium [RCW 90.48.290(2)].

#### Water Pollution Control Revolving Fund.

The Legislature created the Water Pollution Control Revolving Fund (Fund) in 1988 to receive federal capitalization grants to provide financial assistance to the state and local governments for the planning, design, acquisition, construction, and improvement of Control Facilities and related activities [RCW 90.50A.005]. The DOE must use monies in the Fund to issue loans to public bodies, subject to certain conditions, for: (1) the construction or replacement of Control Facilities; (2) the implementation of a management program under the CWA for non-point sources of pollution; and (3) the development and implementation of a conservation and management plan under the CWA relating to the national estuary program [RCW 90.50A.030]. The DOE may also use monies in the Fund for other purposes, such as: (1) to buy or refinance public bodies' debt obligations concerning Control Facilities; (2) to be a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds if the proceeds of the sale will be deposited into the Fund; (3) to earn interest on Fund accounts; and (4) to pay the Fund's administration expenses [RCW 90.50A.030(3)]. The DOE may not use moneys in the Fund to issue grants [RCW 90.50A.030(5)].

#### **Summary of Bill:**

Publicly owned wastewater treatment facilities that process a city's industrial wastewater are included in the permitted purposes for which the DOE may issue grants or loans to public bodies from the Water Quality Account.

The DOE may issue a grant to any municipal or public corporation or political subdivision of the state for the planning, design, and construction of any publicly owned wastewater treatment

facility, including those facilities that process a city's industrial wastewater, to aid in the construction of Control Projects.

Loans for the planning, design, and construction of publicly owned wastewater treatment facilities, including those facilities that process a city's industrial wastewater, are added to the list of permitted purposes for which the DOE may issue loans to public bodies from the Fund for the construction or replacement of Control Facilities.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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