

SENATE BILL REPORT

SB 6257

As of January 20, 2010

Title: An act relating to water discharge fees.

Brief Description: Concerning water discharge fees.

Sponsors: Senator Honeyford.

Brief History:

Committee Activity: Environment, Water & Energy: 1/19/10.

SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

Staff: Karen Epps (786-7424)

Background: The federal Clean Water Act (CWA) establishes the National Pollutant Discharge Elimination System (NPDES) permit system to regulate wastewater discharges from point sources to surface waters. The NPDES permits are required for anyone who discharges wastewater to surface waters, or who has a significant potential to impact surface waters. The Department of Ecology (Ecology) is delegated federal CWA authority by the United States Environmental Protection Agency.

Ecology also administers state discharge permits. A wastewater discharge permit places limits on the quantity and concentrations of contaminants that may be discharged and may require wastewater treatment or impose operating or other conditions. Ecology 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.

Ecology establishes annual fees for issuing and administering state and NPDES discharge permits. Ecology must set fees for permits in an amount sufficient to fully recover but not exceed the program expenses, including permit processing, monitoring, compliance, evaluation, inspection, and program overhead costs.

Summary of Bill: Fees must be calculated based on the state's fiscal year. In the case of a terminated permit, fees may be refunded based on the quarter the termination took place.

Appropriation: None.

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.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill reinstates the process for partial prorated refunds of construction stormwater permit fees. In this economy, an additional \$300 or \$1,000 makes a difference to a small home builder. SB 6257 will help affordable housing by reducing the fees very recently increased by Ecology. A construction stormwater permit must be sought and paid for, often months before the first shovel of dirt is disturbed. Currently, even if a permit is terminated a few month's into Ecology's fiscal year there is no refund of the unused portion. Requiring Ecology to prorate fees allows for that remaining portion of the current year's fees to return to the builder.

CON: This bill would require Ecology to prorate and refund fees based on the quarter that a project ends. There are costs to Ecology to receive, process, and issue those refunds. This would also cause a reduction in permit fees. A reduction in fees reduces Ecology's ability to provide assurances of water quality. A large part of the costs of this permit are fixed regardless of the duration of the project. There is an external work group that is assisting Ecology with restructuring the permit fees and that work group recommended that Ecology change the fees to go to a one time fee for construction stormwater permits.

Persons Testifying: PRO: Julie Nichols, Building Industry Association of Washington; Janine Smith, Olympia Master Builders.

CON: Kelly Susewind, Department of Ecology.