
SENATE BILL 5940

State of Washington

61st Legislature

2009 Regular Session

By Senator Honeyford

Read first time 02/09/09. Referred to Committee on Environment, Water & Energy.

1 AN ACT Relating to publicly owned industrial wastewater treatment
2 facilities; and amending RCW 70.146.070, 90.48.290, and 90.50A.030.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.146.070 and 2008 c 299 s 26 are each amended to
5 read as follows:

6 (1) When making grants or loans for water pollution control
7 facilities, the department shall consider the following:

8 (a) The protection of water quality and public health;

9 (b) The cost to residential ratepayers if they had to finance water
10 pollution control facilities without state assistance;

11 (c) Actions required under federal and state permits and compliance
12 orders;

13 (d) The level of local fiscal effort by residential ratepayers
14 since 1972 in financing water pollution control facilities;

15 (e) Except as otherwise conditioned by RCW 70.146.110, whether the
16 entity receiving assistance is a Puget Sound partner, as defined in RCW
17 90.71.010;

18 (f) Whether the project is referenced in the action agenda
19 developed by the Puget Sound partnership under RCW 90.71.310;

1 (g) Except as otherwise provided in RCW 70.146.120, and effective
2 one calendar year following the development and statewide availability
3 of model evergreen community management plans and ordinances under RCW
4 35.105.050, whether the project is sponsored by an entity that has been
5 recognized, and what gradation of recognition was received, in the
6 evergreen community recognition program created in RCW 35.105.030;

7 (h) The extent to which the applicant county or city, or if the
8 applicant is another public body, the extent to which the county or
9 city in which the applicant public body is located, has established
10 programs to mitigate nonpoint pollution of the surface or subterranean
11 water sought to be protected by the water pollution control facility
12 named in the application for state assistance; and

13 (i) The recommendations of the Puget Sound partnership, created in
14 RCW 90.71.210, and any other board, council, commission, or group
15 established by the legislature or a state agency to study water
16 pollution control issues in the state.

17 (2) Except where necessary to address a public health need or
18 substantial environmental degradation, a county, city, or town planning
19 under RCW 36.70A.040 may not receive a grant or loan for water
20 pollution control facilities unless it has adopted a comprehensive
21 plan, including a capital facilities plan element, and development
22 regulations as required by RCW 36.70A.040. This subsection does not
23 require any county, city, or town planning under RCW 36.70A.040 to
24 adopt a comprehensive plan or development regulations before requesting
25 or receiving a grant or loan under this chapter if such request is made
26 before the expiration of the time periods specified in RCW 36.70A.040.
27 A county, city, or town planning under RCW 36.70A.040 which has not
28 adopted a comprehensive plan and development regulations within the
29 time periods specified in RCW 36.70A.040 is not prohibited from
30 receiving a grant or loan under this chapter if the comprehensive plan
31 and development regulations are adopted as required by RCW 36.70A.040
32 before submitting a request for a grant or loan.

33 (3) Whenever the department is considering awarding grants or loans
34 for public facilities to special districts requesting funding for a
35 proposed facility located in a county, city, or town planning under RCW
36 36.70A.040, it shall consider whether the county, city, or town
37 planning under RCW 36.70A.040 in whose planning jurisdiction the

1 proposed facility is located has adopted a comprehensive plan and
2 development regulations as required by RCW 36.70A.040.

3 (4) When making grants or loans for water pollution control
4 facilities, the department may award grants or provide loans to
5 publicly owned industrial wastewater treatment facilities that relieve
6 a city of the burden of processing industrial wastewater.

7 (5) After January 1, 2010, any project designed to address the
8 effects of water pollution on Puget Sound may be funded under this
9 chapter only if the project is not in conflict with the action agenda
10 developed by the Puget Sound partnership under RCW 90.71.310.

11 **Sec. 2.** RCW 90.48.290 and 1987 c 109 s 145 are each amended to
12 read as follows:

13 The department is authorized to make and administer grants within
14 appropriations authorized by the legislature to any municipal or public
15 corporation, or political subdivision within the state for the purpose
16 of aiding in the construction of water pollution control projects
17 necessary to prevent the discharge of untreated or inadequately treated
18 sewage or other waste into the waters of the state including, but not
19 limited to, projects for the control of storm or surface waters which
20 will provide for the removal of waste or polluting materials therefrom.

21 Grants so made by the department shall be subject to the following
22 limitations:

23 (1) No grant shall be made in an amount which exceeds the
24 recipient's contribution to the estimated cost of the project:
25 PROVIDED, That the following shall be considered a part of the
26 recipient's contribution:

27 (a) Any grant received by the recipient from the federal government
28 pursuant to section 8(f) of the Federal Water Pollution Control Act (33
29 U.S.C. 466) for the project;

30 (b) Any expenditure which is made by any municipal or public
31 corporation, or political subdivision within the state as a part of a
32 joint effort with the recipient to carry out the project and which has
33 not been used as a matching contribution for another grant made
34 pursuant to this chapter, and

35 (c) Any expenditure for the project made by the recipient out of
36 moneys advanced by the department from a revolving fund and repayable
37 to said fund.

1 (2) No grant shall be made for any project which does not qualify
2 for and receive a grant of federal funds under the provisions of the
3 Federal Water Pollution Control Act as now or hereafter amended:
4 PROVIDED, That this restriction shall not apply to state grants made in
5 any biennium over and above the amount of such grants required to match
6 all federal funds allocated to the state for such biennium. As such,
7 grants may be made for the planning, design, and construction of any
8 publicly owned wastewater treatment facilities, including publicly
9 owned industrial wastewater treatment facilities that relieve a city of
10 the burden of processing industrial wastewater.

11 (3) No grant shall be made to any municipal or public corporation,
12 or political subdivision for any project located within a drainage
13 basin unless the department shall have previously adopted a
14 comprehensive water pollution control and abatement plan and unless the
15 project is found by the department to conform with such basin
16 comprehensive plan: PROVIDED, That the requirement for a project to
17 conform to a comprehensive water pollution control and abatement plan
18 may be waived by the department for any grant application filed with
19 the department prior to July 1, 1974, in those situations where the
20 department finds the public interest would be served better by approval
21 of any grant application made prior to adoption of such plan than by
22 its denial.

23 (4) Recipients of grants shall meet such qualifications and follow
24 such procedures in applying for grants as shall be established by the
25 department.

26 (5) Grants may be made to reimburse recipients for expenditures
27 made after July 1, 1967, for projects which meet the requirements of
28 this section and were commenced after the recipient had filed a grant
29 application with the department.

30 **Sec. 3.** RCW 90.50A.030 and 2007 c 341 s 38 are each amended to
31 read as follows:

32 The department shall use the moneys in the water pollution control
33 revolving fund to provide financial assistance as provided in the water
34 quality act of 1987 and as provided in RCW 90.50A.040:

- 35 (1) To make loans, on the condition that:
36 (a) Such loans are made at or below market interest rates,
37 including interest free loans, at terms not to exceed twenty years;

1 (b) Annual principal and interest payments will commence not later
2 than one year after completion of any project and all loans will be
3 fully amortized not later than twenty years after project completion;

4 (c) The recipient of a loan will establish a dedicated source of
5 revenue for repayment of loans; and

6 (d) The fund will be credited with all payments of principal and
7 interest on all loans.

8 (2) Loans may be made for the following purposes:

9 (a) To public bodies for the construction or replacement of water
10 pollution control facilities as defined in section 212 of the federal
11 water quality act of 1987;

12 (b) For the implementation of a management program established
13 under section 319 of the federal water quality act of 1987 relating to
14 the management of nonpoint sources of pollution, subject to the
15 requirements of that act; (~~and~~)

16 (c) For development and implementation of a conservation and
17 management plan under section 320 of the federal water quality act of
18 1987 relating to the national estuary program, subject to the
19 requirements of that act; and

20 (d) For the planning, design, and construction of publicly owned
21 wastewater treatment facilities, including publicly owned industrial
22 wastewater treatment facilities that relieve a city of the burden of
23 processing industrial wastewater.

24 (3) The department may also use the moneys in the fund for the
25 following purposes:

26 (a) To buy or refinance the water pollution control facilities'
27 debt obligations of public bodies at or below market rates, if such
28 debt was incurred after March 7, 1985;

29 (b) To guarantee, or purchase insurance for, public body
30 obligations for water pollution control facility construction or
31 replacement or activities if the guarantee or insurance would improve
32 credit market access or reduce interest rates, or to provide loans to
33 a public body for this purpose;

34 (c) As a source of revenue or security for the payment of principal
35 and interest on revenue or general obligation bonds issued by the state
36 if the proceeds of the sale of such bonds will be deposited in the
37 fund;

38 (d) To earn interest on fund accounts; and

1 (e) To pay the expenses of the department in administering the
2 water pollution control revolving fund according to administrative
3 reserves authorized by federal and state law.

4 (4) The department shall present a biennial progress report on the
5 use of moneys from the account to the appropriate committees of the
6 legislature. The report shall consist of a list of each recipient,
7 project description, and amount of the grant, loan, or both.

8 (5) The department may not use the moneys in the water pollution
9 control revolving fund for grants.

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