## SENATE BILL REPORT SB 5364

## As of February 6, 2011

**Title**: An act relating to public water system operating permits.

**Brief Description**: Concerning public water system operating permits.

**Sponsors**: Senators Swecker, Pridemore, Fraser, Nelson, Honeyford, Shin and Morton; by request of Department of Health.

## **Brief History:**

**Committee Activity**: Environment, Water & Energy: 2/02/11.

## SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

**Staff**: Karen Epps (786-7424)

**Background**: More than 75 percent of people in Washington get their drinking water from large Group A public water systems. About 2000 small Group A water systems provide drinking water to about 8 percent of Washington households. Group A water systems have 15 or more service connections, or regularly serve 25 or more people on 60 or more days per year. Roughly 13,000 Group B water systems provide drinking water to about 2 percent of Washington households. About 14 percent of Washington households obtain their drinking water from individual wells.

Group A public water systems must apply to the Department of Health (DOH) for an annual operating permit. A new application must be submitted upon any change in ownership of the system. Each application must be accompanied by an annual fee as set in statute. DOH may require that each application include information that is reasonable and necessary to determine that the system complies with application standards and requirements of the federal Safe Drinking Water Act and state laws. DOH must act on permit applications within 120 days of receipt of the application or of any supplemental information required to complete the application.

**Summary of Bill**: The DOH must adopt rules establishing categories of annual operating permit fees based on system size, complexity, and number of service connections. Fees charged must be sufficient to cover, but may not exceed, the costs to DOH of administering a program for safe and reliable drinking water. DOH may phase in the implementation of the

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annual fee for any group of systems provided the schedule for implementation is established by rule.

**Appropriation**: None.

**Fiscal Note**: Requested on January 21, 2011.

[OFM requested ten-year cost projection pursuant to I-960.]

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: DOH is trying to make sure that your water is safe at the tap. This bill allows DOH to set fees in rule, but it does not take away the legislative approval process that is currently in place under I-960 to have the fee increases approved by the Legislature. The public operating fee has been in place since 1991, and the fee has not been increased since that time. This bill would strengthen DOH's efforts in helping both small and large water systems throughout the state. There are some cost incentives for satellite agencies, and the waiver fee is eliminated. Utilities support this bill even though it will mean a significant increase in fees for some utilities. DOH should be adequately funded, and utilities are willing to pay additional fees. This bill will help DOH continue to do their good work.

**Persons Testifying**: PRO: Denise Clifford, DOH; Bob Mack, Tacoma Water; Dave Monthie, King County; Drew Noble, H2O Management Services; Jeff Johnson, Water Cooperative of Pierce County; Dave Williams, Association of Washington Cities; Steve Robinson, Center for Environmental Law and Policy; Steve Lindstrom, Sno-King Water District Coalition.