FINAL BILL REPORT SSB 5364

C 102 L 11

Synopsis as Enacted

Brief Description: Concerning public water system operating permits.

Sponsors: Senate Committee on Environment, Water & Energy (originally sponsored by Senators Swecker, Pridemore, Fraser, Nelson, Honeyford, Shin and Morton; by request of Department of Health).

Senate Committee on Environment, Water & Energy Senate Committee on Ways & Means House Committee on Environment House Committee on Ways & Means

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 System Operating Permit Fees. 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.

<u>Satellite System Management Agency Fees.</u> The DOH must issue one operating permit to any approved satellite system management agency, as defined by the DOH. The operating permit fee for approved satellite system management agencies is \$1 per connection, per year for the total number of connections under the management of the approved satellite agency.

Summary: The DOH must adopt rules establishing categories of annual operating permit fees based on system size, complexity, and number of service connections. Fees charged

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must be sufficient to cover, but may not exceed, the costs to DOH of administering a program for safe and reliable drinking water.

Group A Public Water System Operating Permit Fees. The DOH must use operating permit fees to monitor and enforce compliance of Group A water systems with state and federal laws that govern planning, water use, efficiency, design, construction, operating, maintenance, financing, management, and emergency response. DOH may phase in the implementation of the annual fee for any group of systems provided the schedule for implementation is established by rule. Phasing in of fees is mandatory for any annual fee increase that is greater than 10 percent. An annual per connection fee of \$1.50 may not be exceeded. Under rules established by the DOH prior to 2020, \$100,000 is the highest annual operating permit fee allowed.

<u>Satellite System Management Agency Fees.</u> Rules established by the DOH must set a single fee based on the total number of connections for all Group A water systems owned by a Satellite System Management Agency.

Votes on Final Passage:

Senate 28 21 House 51 40

House 52 40 (House reconsidered)

Effective: July 22, 2011.