Large On-site Sewage System Fee Increase

Questions and Answers about the Rule Revision

Why is a fee increase needed now?

Revenue from fees and the State's general fund provided to the Department of Health are insufficient to ensure that statutorily required oversight and regulation of large on-site sewage systems is maintained.

While costs increase every year, the Department of Health has not increased fees since 2007 because other funding was available and staffing and infrastructure needs were being determined. The legislature passed legislation in 2007 directing the department to develop comprehensive regulations for the design, operation, and maintenance of large on-site sewage systems, and their operators, which provides both public health and environmental protection. Based on that legislation the department developed the current regulations, <u>WAC 246-2728</u> which went into effect in 2011.

Now that the Department of Health's program has been developed and the resource need has been identified, it has been determined that the large on-site sewage system fee needs to be increased. The program funding fell short of the need in 2018, leading to a one-time transfer from other funds to continue the program services.

How have costs increased for the Department of Health?

- In 2007 there were approximately 290 large on-site sewage systems regulated by the department. Now the department regulates approximately 575 large on-site sewage systems. This is due to legislated changes in the definition and jurisdiction over large on-site sewage systems as well as several new systems being built.
- The department is now required to protect public and the environment.
- Large on-site sewage system technology has become increasingly complex, requiring more sophisticated and involved engineering and reviews.
- Environmental pressures have increased and become more complex.
- Sites for new large on-site sewage systems have become more challenging.
- Large on-site sewage system designs have become more innovative and complex.
- Existing large on-site sewage systems have aged and become more challenging to operate and regulate.
- General inflationary pressures, such as increased overhead, staff wages, and indirect costs have increased.

Does this apply to all large on-site sewage systems?

Yes. The annual operating permit fee is calculated using the same formula for all large on-site sewage systems.

What will the money be used for?

The Department of Health is responsible for:

- Reviewing and approving engineered designs for new large on-site sewage systems.
- Permitting any construction of new systems.
- Permitting any expansion, alteration, or repair of existing systems.
- Performing routine site inspections to ensure safe and compliant operation.

- Providing technical assistance to large on-site sewage system owners and operators.
- Responding to large on-site sewage systems failures.
- Working to ensure that public health and the environment are protected.

The money from the increased fees will go to ensure that these services continue to be provided. No staff increases are planned following the fee increase.

When will the new fee take effect?

Annual operating permit fees due after July 1, 2020 will be based on a base fee of \$450 and fee of \$0.03 per gallon per day. Annual operating permit fees due after July 1, 2021 will be based on a base fee of \$608 and fee of \$0.0405 per gallon per day.

How much will my annual permit fee be in 2020 and 2021?

Calculate Your Large On-site Sewage System Permit Fee (Excel)

Are future fee increases planned?

At this time no future fee increases are planned or predicted. The need for fee adjustments will be reevaluated after the permit fee changes have gone into effect. It is possible that future fee increases to compensate for inflationary increases in costs will be needed.

What could happen if the program is not funded appropriately?

Delays in permitting or in approving changes to large on-site sewage systems (including adding connections) could result. The department may not be able to respond and assist large on-site sewage system owners and operators when a system fails. Site inspections and review of operational and monitoring data may not be completed as required. Protection of public health and the environment may not be provided as the legislature intended.

Which RCWs authorize this increase in fees?

RCW 70.118B.030 (4) states "At the time of initial permit application or at the time of permit renewal the department shall impose those permit conditions, requirements for system improvements, and compliance schedules as it determines are reasonable and necessary to ensure that the system will be operated and maintained properly. Each application must be accompanied by a fee as established in rules adopted by the department." There is an assumption that fee programs must be self-sufficient (i.e., generate enough revenue to cover the cost of the regulatory program).

RCW 43.20B.020 states "The department of social and health services and the department of health are authorized to charge fees for services provided unless otherwise prohibited by law." RCW 70.118B.030 requires large on-site sewage system owners to obtain an operating permit and annually renew the permit in order to operate their system. RCW 43.70.110 requires the department "to charge fees to the licensee for obtaining a license." The fees must "be based on, but shall not exceed, the cost to the department for the licensure of the activity or class of activities and may include the cost of necessary inspections."

Where can I learn more?

Large On-site Sewage System Fee Rule Revision website:

https://www.doh.wa.gov/CommunityandEnvironment/WastewaterManagement/RulesandRegulations/LargeOnsiteRuleRevision