

Concise Explanatory Statement

Office of Drinking Water Fees



General Comments

Comment Received	Department of Health Determination
<p>Commenter is opposed to the proposed fee increases for water systems. Believes the current costs are already a difficult expense for smaller nonprofit organizations.</p>	<p>No change to proposed rule. The Department of Health (department) recognizes fee increases may cause financial hardship on recipients and that the cost of operating a drinking water system continues to increase.</p> <p>The department is required by law to set fees at a level that covers the cost of administering each licensing and regulation of professions, occupations, or businesses. The Office of Drinking Water does not have a revenue source that can subsidize or supplement the fees. The fee increase is to account for General Fund State reductions, reserve balance deficit, increased program expenses primarily due to inflation for travel and personnel-related costs, and cost-of-living and job classification adjustments from the 2025-2027 state budget.</p>
<p>Commenter strongly objects to the proposed fee increases for small Class A water systems, stating that the current structure is already disproportionate and places an unfair financial burden on smaller systems compared to large utilities. Notes that small class A systems pay nearly \$70 per connection annually while large systems pay less than one cent per connection, resulting in DOH fees comprising a significant share of customers' monthly bills. Emphasizes that these fees primarily fund administrative and recordkeeping functions, and urges the department to review the rate structure, cost allocation, and fee intervals to ensure fairness and proportionality across system sizes.</p>	<p>No change to proposed rule. The department recognizes fee increases may cause financial hardship on water systems, including small water systems. At the same time, the department recognizes the importance of maintaining the viability of water systems.</p> <p>We are required by law to set fees at a level that covers the cost of administering each licensing and regulation of professions, occupations, or businesses. The fees fund more than administrative overhead and each fee is deposited into specific dedicated accounts to fund work in those programs.</p> <ul style="list-style-type: none"> • The operating permit fee supports implementation of and compliance with the federal Safe Drinking Water Act and the National Primary Drinking Water Regulations. It also supports providing technical assistance during emergencies, follow-up on sanitary surveys to ensure public health protections, water system compliance work, maintenance of accurate records, and ensuring public water system data is available to the public. This fee change adjusts charges so that each system, even our largest systems are paying \$1.50 per connection and removes the

	<p>previous cap on operating permit fees.</p> <ul style="list-style-type: none"> • The sanitary survey and project review fee covers the cost to complete this work. • The operator certification fees cover the cost of our operator certification program. <p>The Office of Drinking Water does not have a revenue source that can subsidize or supplement the fees. The fee increase is to account for General Fund State reductions, reserve balance deficit, increased program expenses primarily due to inflation for travel and personnel-related costs, and cost-of-living and job classification adjustments from the 2025-2027 state budget.</p>
<p>Commenter expresses 5 key areas of concern regarding the proposed rulemaking including public transparency, alternatives, timelines, rulemaking ambiguity, and collaboration.</p> <ul style="list-style-type: none"> • Recommends that the department develop additional alternatives and share them publicly for stakeholder review. • States that the department has not sufficiently engaged stakeholders or explored alternative options beyond fee increases. • States that public meetings provided information but lacked meaningful opportunities for discussion or input on cost assumptions and alternatives. • Concerned that the proposed fee increases will disproportionately impact vulnerable populations as utilities pass costs on to customers and recommends a phased approach to implementing cost adjustments and exploring program consolidations to reduce administrative overhead. • Requests greater clarity on rulemaking timelines and formal comment periods to enhance transparency. • Recommends that the Department re-evaluate the proposed rulemaking to ensure a transparent, inclusive process with clear timelines and more meaningful 	<p>No change to proposed rule. The Department values the feedback provided. We are committed to transparency, and information sharing throughout the rulemaking process.</p> <p>It is important to note that the Office of Drinking Water fees have not been adjusted in over a decade. These adjustments are necessary to address increased staffing costs, budget reductions, and rising work load demands for many programs. These programs are no longer sustainable without fee increases. Without viable funding, we risk significant program reductions, loss of services, and potential risk to the public.</p> <p>The department will continue to evaluate program efficiencies and cost-containment measures while ensuring our fees remain aligned with the statutory requirement that regulatory fees recover, but do not exceed, the cost of administering the program.</p>

engagement.

Notes: The comments received did not indicate a specific WAC section.



CES WSR [WSR 25-22-064]

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