WASHINGTON STATE DEPARTMENT OF HEALTH

Economic Impact Analysis Fee Report

Office of Environmental Health and Safety

On-site Nonpotable Water Systems, Chapter 246-275 WAC

July 2026

Washington State Department of HEALTH

WAC 246-275-990, On-site Nonpotable Water System Fees

Overview

The Department of Health (department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Wastewater Management program is responsible for the safe treatment and dispersal of domestic, non-industrial wastewater in areas of Washington not served by municipal sewage treatment works.

In 2021, Engrossed Substitute House Bill 1184 (ESHB 1184) (chapter 156, Laws of 2021), codified as RCW 90.46.290, was passed, requiring the department to set standards and adopt rules for on-site nonpotable water systems (ONWS). ONWS are optional treatment systems that collect, treat, and reuse source waters such as blackwater, greywater, stormwater, rooftop runoff, foundation drainage, and air conditioning condensate for end uses such as toilet and urinal flushing, priming drain traps, clothes washing, irrigation, and dust suppression. The department's proposed rules establish comprehensive standards for a statewide ONWS program and are structured around the department administering this program at the state level. This is a new program for the department.

RCW 43.70.110 and RCW 43.70.250 authorize the Secretary to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license. RCW 43.20B.020 also permits the Department to charge fees for services.

This document summarizes how the department determined new fees for on-site nonpotable water systems.

Proposed Fee Proposal

Fees were determined based on a comparable analysis of the program's current time and staff costs for completing similiar projects, such as large on-site sewage systems. The department estimates that there are less than 15 buildings across Washington using on-site nonpotable water systems, but that actual number is unknown. These buildings have been permitted through the local building code, often using waivers.

To implement the new on-site nonpotable water systems program and the rule, the department estimates needing 1.5 FTEs in the Wastewater Management Section to complete this work based on current data. The 1.5 FTE consists of 0.75 FTE Environmental Planner 3 and 0.75 FTE Environmental Engineer 3 to perform plan

review, permitting, program development, technical assistance, community engagement, and engineering support for on-site nonpotable water systems.

During the 2025 Legislative Session, the Legislature passed the 2025-2027 state budget (Engrossed Substitute Senate Bill 5167) that included Cost-of-Living Adjustment and class and comp increases. The following fee proposal incorporates the department's assumptions and the salary increases from the Biennial Budget.

Fee Proposal				
Type	**Title and Description of Fee**		**Base Hours**	**Proposed Fee**
On-Site Nonpotable Water System	Initial Design Review	Minor- includes 4 hours of engineer review, time above and beyond 4 hours would be billed at hourly rate	4	$1,548
		Major- includes 8 hours of engineer review, time above and beyond 8 hours would be billed at hourly rate	8	$3,096
	Program Hourly Rate		N/A	$387
	Annual Operating Permit		N/A	$2,572
	Late Permit Fee		N/A	$466
	Expired Permit Fee- includes expired permit costs and abbreviated design review to re-permit expired facility. This fee is in addition to the annual operating permit fee.		N/A	$1,280

The department expects the demand for on-site nonpotable water reuse systems to increase as the state population continues to grow, cost savings from water conservation are realized, LEED certification (and other green building incentives) becomes more attractive, and the impacts from climate change increase. Effective water reuse, coupled with health and safety regulations, provide resilience to drought and other extreme climate events.

The department will continue to monitor the financial health of the on-site nonpotable water system program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.