



SENATE BILL 673: Wastewater Regulatory Relief Act.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2023-2024 General Assembly

Committee:	Senate Agriculture, Energy, and Environment	Date:	April 25, 2023
Introduced by:	Sens. P. Newton, Sawrey, Lazzara	Prepared by:	Kyle Evans
Analysis of:	PCS to First Edition S673-CSBR-7		Committee Counsel

OVERVIEW: *The Proposed Committee Substitute (PCS) for Senate Bill 673 would allow permittees for new or expanded wastewater treatment systems to use alternative wastewater flow calculations and to expand beyond system's hydraulic capacity if the system meets certain requirements; and make changes to the system development fee.*

CURRENT LAW & BILL ANALYSIS:

ALLOW ALTERNATIVE PEAK DAILY SEWAGE FLOW RATES AND PERMIT WASTEWATER TREATMENT SYSTEM EXPANSIONS BEYOND EXISTING ALLOCATION IN CERTAIN CIRCUMSTANCES

As a part of its NPDES wastewater permit, a wastewater treatment system must meet certain minimum design and capacity requirements, including a requirement that the system can handle the proposed flow of the various users and uses of the system. For new dwelling units, the current "daily design flow" is 120 gallons per day per bedroom.

Section 1 would:

- Provide that the permittee for a wastewater treatment system may calculate its wastewater flows for new dwelling units at 75 gallons per day per bedroom, or at a lower rate approved by the Department of Environmental Quality (DEQ).
- Require that applicants for sewer line extensions, prior to actual flow exceeding 80% of the system's permitted capacity, submit an engineering evaluation of its future wastewater needs, including outlining plans to meet those needs by expansion of the existing system, elimination or reduction of extraneous flows, or water conservation and shall include the source of funding for the improvements. Current rule ties this trigger to permitted capacity.
- Require that applicants for sewer line extensions to require that, prior to actual flow exceeding 90% of the system's permitted capacity, obtain all other permits required for expansion of the system and, if construction is needed, submit final plans and specifications for the expansion. Current rule ties this trigger to permitted capacity.
- Allow a wastewater treatment system permittee, who has signed a contract for expansion of its wastewater system, is in a fast-growing county, and is meeting current permitted flow and pollutant discharge limits, to allocate 110% of its hydraulic capacity and to increase that allocation to 115% when the system expansion is within 24 months of completion. A permittee would not be allowed to allocate more than the permitted capacity after expansion without approval by DEQ, but nothing

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Senate 673 PCS

Page 2

in this provision would prevent DEQ from authorizing allocations above 115% of a system's hydraulic capacity.

SYSTEM DEVELOPMENT FEE CHANGE

Local governments are authorized to adopt system development fees for water and sewer service. System development fees may be imposed on “new development to fund costs of capital improvements necessitated by and attributable to such new development, to recoup costs of existing facilities which serve such new development, or a combination of those costs....”

Section 2 would provide that a local government may impose a system development fee to recoup costs incurred by the local government unit to purchase capacity in, or reserve capacity supplied by, capital improvements or facilities owned by another local government unit but would clarify that the system development fee does not include any charge or fee paid for such capacity. **Sections 2(b) and 2(c)** would provide that purchase capacity must be included in the written analysis used to calculate the system development fee and that revenue from system development fees may be used to pay contractual obligations to a local government for capacity in facilities owned by the local government.

This section would be effective when it becomes law. This section would clarify and restate the intent of existing law and applies to ordinances adopted before, on, and after the effective date.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.