



SENATE BILL 673: Wastewater Regulatory Relief Act.

2023-2024 General Assembly

Committee:	House Energy and Public Utilities. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 13, 2023
Introduced by:	Sens. P. Newton, Sawrey, Lazzara	Prepared by:	Kyle Evans
Analysis of:	Third Edition		Committee Counsel

OVERVIEW: *Senate Bill 673 would allow permittees for new or expanded wastewater treatment systems to use alternative wastewater flow calculations, 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. Currently the trigger for obtaining an engineering evaluation is tied 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. Currently the trigger for obtaining all other require permits for expansion is tied to permitted capacity.
- Codify existing rule to allow DEQ to issue sewer line extension permits to facilities exceeding the 80% or 90% disposal capacity thresholds if the additional flow is not projected to result in in the facility exceeding its permitted hydraulic capacity, the facility is in compliance with all other

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578

Senate Bill 673

Page 2

permit limitations and requirements, and adequate progress is being made in developing the required engineering evaluations or plans and specifications.

- 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 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 purchased 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.