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HOUSE BILL NO. 1137 Offered January 13, 2010 Prefiled January 13, 2010

A BILL to amend and reenact § 62.1-44.15:6 of the Code of Virginia, relating to ground water withdrawal permit fee.

Patrons—Morgan and Abbitt; Senator: Ticer

Referred to Committee on Agriculture, Chesapeake and Natural Resources

Be it enacted by the General Assembly of Virginia:

1. That § 62.1-44.15:6 of the Code of Virginia is amended and reenacted as follows:

§ 62.1-44.15:6. Permit fee regulations.

A. The Board shall promulgate regulations establishing a fee assessment and collection system to recover a portion of the State Water Control Board's, the Department of Game and Inland Fisheries' and the Department of Conservation and Recreation's direct and indirect costs associated with the processing of an application to issue, reissue, amend or modify any permit or certificate, which the Board has authority to issue under this chapter and Chapters 24 (§ 62.1-242 et seq.) and 25 (§ 62.1-254 et seq.) of this title, from the applicant for such permit or certificate for the purpose of more efficiently and expeditiously processing permits. The fees shall be exempt from statewide indirect costs charged and collected by the Department of Accounts. The Board shall have no authority to charge such fees where the authority to issue such permits has been delegated to another agency that imposes permit fees.

B1. Permit fees charged an applicant for a Virginia Pollutant Discharge Elimination System permit or a Virginia Pollution Abatement permit shall reflect the average time and complexity of processing a permit in each of the various categories of permits and permit actions. However, notwithstanding any other provision of law, in no instance shall the Board charge a fee for a permit pertaining to a farming operation engaged in production for market or for a permit pertaining to maintenance dredging for federal navigation channels or other Corps of Engineers sponsored dredging projects or for the regularly scheduled renewal of an individual permit for an existing facility. Fees shall be charged for a major modification or reissuance of a permit initiated by the permittee that occurs between permit issuance and the stated expiration date. No fees shall be charged for a modification or amendment made at the Board's initiative. In no instance shall the Board exceed the following amounts for the processing of each type of permit/certificate category:

	Type of Permit/Certificate Category	Maximum Amount
1.	Virginia Pollutant Discharge Elimination System	
	Major Industrial	\$24,000
	Major Municipal	\$21,300
	Minor Industrial with nonstandard	\$10,300
	limits	
	Minor Industrial with standard limits	\$ 6,600
	Minor Municipal greater than 100,000	\$7,500
	gallons per day	
	Minor Municipal 10,001-100,000 gallons	\$6,000
	per day	
	Minor Municipal 1,000-10,000 gallons	\$5,400
	per day	
	Minor Municipal less than 1,000	\$2,000
	gallons per day	
	General-industrial stormwater	\$ 500
	management	
	General-stormwater management-phase I	\$ 500
	land clearing	
	General-stormwater management-phase II	\$ 300
	land clearing	
	General-other	\$ 600
2.	Virginia Pollution Abatement	
	Industrial/Wastewater 10 or more	\$15,000

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57	inches per year	
58	Industrial/Wastewater less than 10	\$10,500
59	inches per year	
60	Industrial/Sludge	\$ 7,500
61	Municipal/Wastewater	\$13,500
62	Municipal/Sludge	\$ 7,500
63	General Permit	\$ 600
64	Other	\$ 750

The fee for the major modification of a permit or certificate that occurs between the permit issuance and expiration dates shall be 50 percent of the maximum amount established by this subsection. No fees shall be charged for minor modifications or minor amendments to such permits. For the purpose of this subdivision, "minor modifications" or "minor amendments" means specific types of changes defined by the Board that are made to keep the permit current with routine changes to the facility or its operation that do not require extensive review. A minor permit modification or amendment does not substantially alter permit conditions, increase the size of the operation, or reduce the capacity of the facility to protect human health or the environment.

B2. Each permitted facility shall pay a permit maintenance fee to the Board by October 1 of each year, not to exceed the following amounts:

	Type of Permit/Certificate Category	Maximum Amount
1.	Virginia Pollutant Discharge Elimination System	
	Major Industrial	\$4,800
	Major Municipal greater than 10	\$4,750
	million gallons per day	
	Major Municipal 2-10 million gallons	\$4,350
	per day	
	Major Municipal less than 2 million	\$3,850
	gallons per day	
	Minor Industrial with nonstandard	\$2,040
	limits	
	Minor Industrial with standard limits	\$1,320
	Minor Industrial water treatment system	
	Minor Municipal greater than 100,000	\$1,500
	gallons per day	41 000
	Minor Municipal 10,001-100,000 gallons per day	\$1,200
	Minor Municipal 1,000-10,000 gallons	\$1,080
	per day	ŞI,000
	Minor Municipal less than 1,000	\$ 400
	gallons per day	,
2.	Virginia Pollution Abatement	
	Industrial/Wastewater 10 or more	\$3,000
	inches per year	
	Industrial/Wastewater less than 10	\$2,100
	inches per year	
	Industrial/Sludge	\$3,000
	Municipal/Wastewater	\$2,700
	Municipal/Sludge	\$1,500

An additional permit maintenance fee of \$1,000 shall be collected from facilities in a toxics management program and an additional permit maintenance fee shall be collected from facilities that have more than five process wastewater discharge outfalls. Permit maintenance fees shall be collected annually and shall be remitted by October 1 of each year. For a local government or public service authority with permits for multiple facilities in a single jurisdiction, the permit maintenance fees for permits held as of April 1, 2004, shall not exceed \$20,000 per year. No permit maintenance fee shall be assessed for facilities operating under a general permit or for permits pertaining to a farming operation engaged in production for market.

B3. Permit application fees charged for Virginia Water Protection Permits, ground water withdrawal permits, and surface water withdrawal permits shall reflect the average time and complexity of processing a permit in each of the various categories of permits and permit actions and the size of the 115 116

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proposed impact. Only one permit fee shall be assessed for a water protection permit involving elements of more than one category of permit fees under this section. The fee shall be assessed based upon the primary purpose of the proposed activity. In no instance shall the Board charge a fee for a permit pertaining to maintenance dredging for federal navigation channels or other U.S. Army Corps of Engineers-sponsored dredging projects, and in no instance shall the Board exceed the following amounts for the processing of each type of permit/certificate category:

121		Type of Permit	Maximum Amount
122	1.	Virginia Water Protection	
123		Individual-wetland impacts	\$2,400 plus
124			\$220 per
125			1/10 acre of
126			impact over
127			two
128		Individual-minimum	acres, not to
129			exceed \$60,000
130		instream flow	\$25,000
131		Individual-reservoir	\$35,000
132		Individual-nonmetallic mineral mining	\$7,500
133		General-less than 1/10 acre impact	\$0
134		General-1/10 to 1/2 acre impact	\$600
135		General-greater than 1/2 to one acre	
136		impact	\$1,200
137		General-greater than one acre	
138		to two acres of impact	\$120 per 1/10
139			acre of impact
140	2.	Ground Water Withdrawal	\$ 6,000 12,000
141	3.	Surface Water Withdrawal	\$12,000

No fees shall be charged for minor modifications or minor amendments to such permits. For the purpose of this subdivision, "minor modifications" or "minor amendments" means specific types of changes defined by the Board that are made to keep the permit current with routine changes to the facility or its operation that do not require extensive review. A minor permit modification or amendment does not substantially alter permit conditions, increase the size of the operation, or reduce the capacity of the facility to protect human health or the environment.

B4. The Board may establish a schedule for annualizing the ground water withdrawal permit fee.

- C. When promulgating regulations establishing permit fees, the Board shall take into account the permit fees charged in neighboring states and the importance of not placing existing or prospective industries in the Commonwealth at a competitive disadvantage.
- D. Beginning January 1, 1998, and January 1 of every even-numbered year thereafter, the Board shall make a report on the implementation of the water permit program to the Senate Committee on Agriculture, Conservation and Natural Resources, the Senate Committee on Finance, the House Committee on Appropriations, the House Committee on Agriculture, Chesapeake and Natural Resources and the House Committee on Finance. The report shall include the following: (i) the total costs, both direct and indirect, including the costs of overhead, water quality planning, water quality assessment, operations coordination, and surface water and ground water investigations, (ii) the total fees collected by permit category, (iii) the amount of general funds allocated to the Board, (iv) the amount of federal funds received, (v) the Board's use of the fees, the general funds, and the federal funds, (vi) the number of permit applications received by category, (vii) the number of permits issued by category, (viii) the progress in eliminating permit backlogs, (ix) the timeliness of permit processing, and (x) the direct and indirect costs to neighboring states of administering their water permit programs, including what activities each state categorizes as direct and indirect costs, and the fees charged to the permit holders and applicants.
- E. Fees collected pursuant to this section shall not supplant or reduce in any way the general fund appropriation to the Board.
- F. Permit fee schedules shall apply to permit programs in existence on July 1, 1992, any additional permits that may be required by the federal government and administered by the Board, or any new permit required pursuant to any law of the Commonwealth.
- G. The Board is authorized to promulgate regulations establishing a schedule of reduced permit fees for facilities that have established a record of compliance with the terms and requirements of their permits and shall establish criteria by regulation to provide for reductions in the annual fee amount

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assessed for facilities accepted into the Department's programs to recognize excellent environmental performance.