



# Water Quality Fee Increase Rulemaking 2020

Environmental Quality Commission meeting  
May 7, 2020

Justin Green, Water Quality Administrator

# Water Quality Permitting

## Permitting program

### **Permit Categories:**

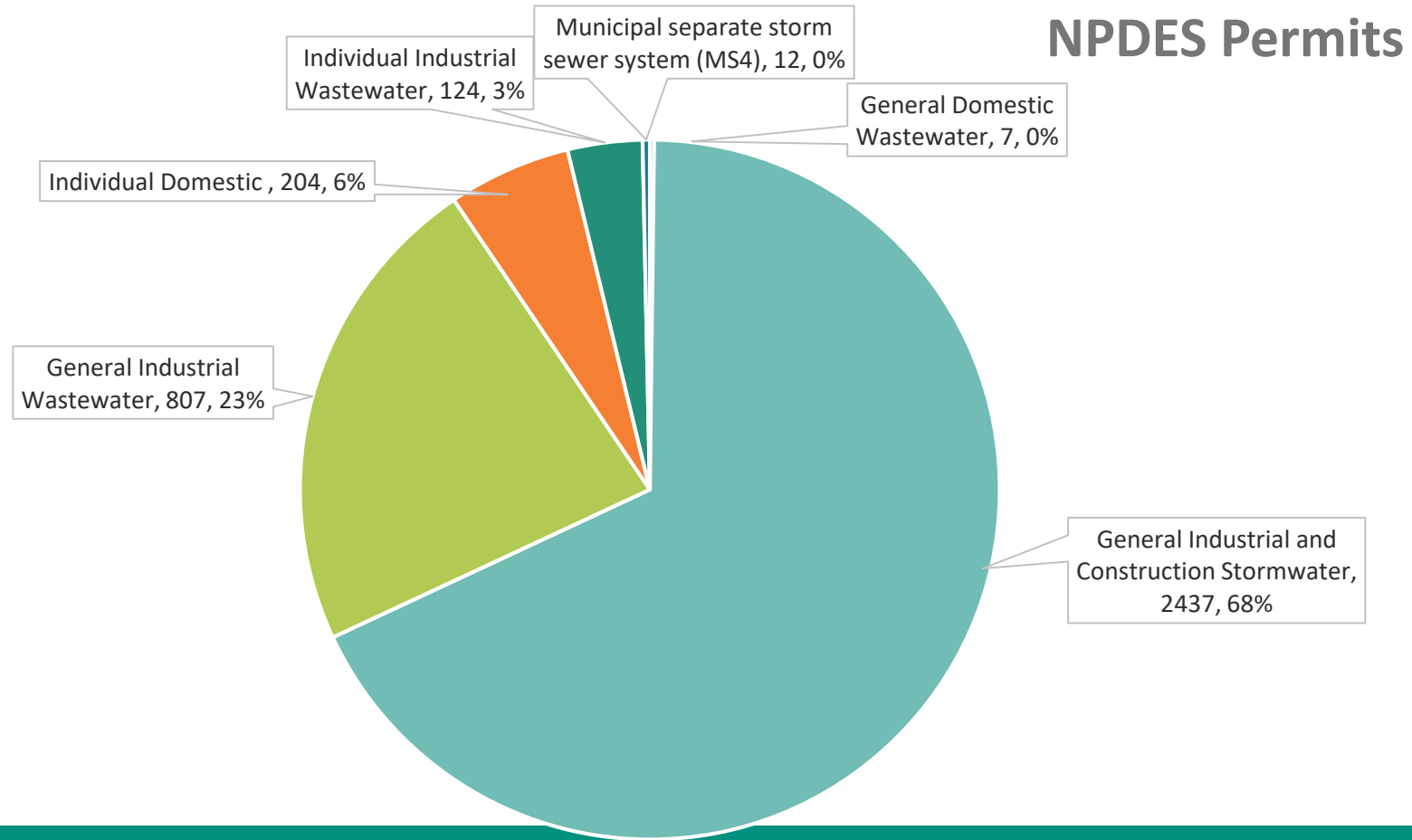
- Individual permits (NPDES and WPCF)
- General permits (NPDES and WPCF)

### **Permitted Types:**

- Domestic wastewater (NPDES and WPCF)
- Domestic onsite (WPCF)
- Industrial wastewater (NPDES and WPCF)
- Stormwater (NPDES and WPCF)

# Water Quality Permitting

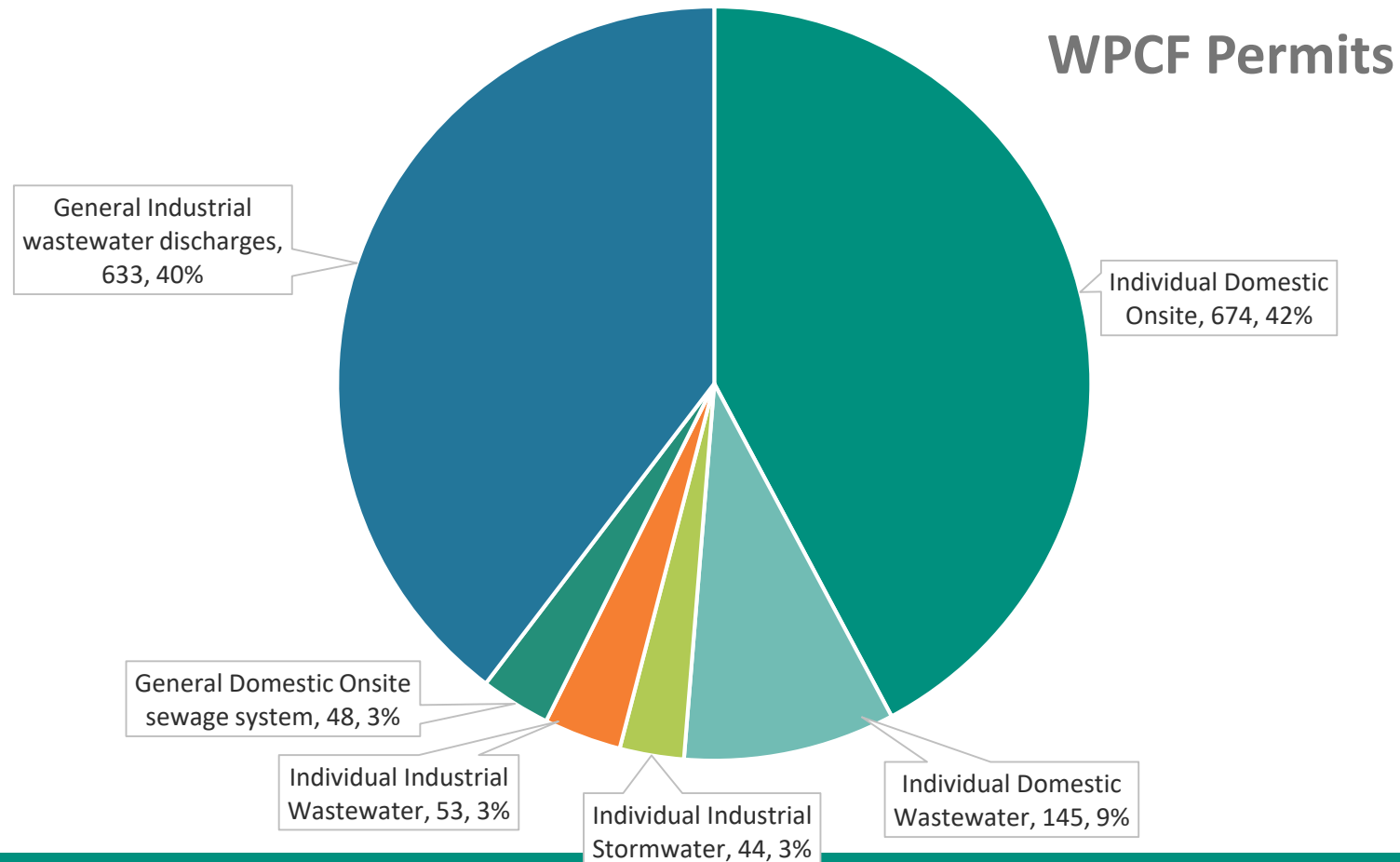
## Permitting program



Data as of Mar.27, 2020

# Water Quality Permitting

## Permitting program



Data as of Mar.27, 2020

# Water Quality Permitting

## Budget Scenario Comparison (Base vs. 3% increase)

July 1, 2020

Effective date of last fee increase: Oct. 2019

EQC adopted fee changes: Sept. 2019

Funding Source	2017-2019 Legislatively Adopted Budget		2019-2021 Legislatively Adopted Budget (excluding POPs <sup>1</sup> )	
	Amount	Percentage	Amount	Percentage
Program costs covered by fees	\$12,782,995	58%	\$14,254,336	59%
Program costs covered by General and Lottery Funds	\$7,671,236	35%	\$8,229,707	34%
Program costs covered by Federal Funding	\$1,609,781	7%	\$1,716,369	7%

These numbers have passed Department of Administrative Services' audit, and include packages 000 through 070, and adjustments made by the legislature in DEQ's budget bill (package 801) and the end-of-session bill (package 810).



# Water Quality Permitting

## Proposed Budget Scenario, July 1, 2020 (Includes 3% and 18% increases)

Effective date of last fee increase: Oct. 2019

EQC adopted fee changes: Sept. 2019

Funding Source	2019-2021 Legislatively Adopted Budget (excluding POPs <sup>1</sup> )	2019-2021 Legislatively Adopted Budget (POPs only)	Total 2019-21 Legislatively Adopted Budget	
Program costs covered by fees	\$14,254,336	\$1,329,378	\$15,583,714	58%
Program costs covered by General and Lottery Funds	\$8,229,707	\$1,334,828	\$9,564,535	36%
Program costs covered by Federal Funding	\$1,716,369	\$0	\$1,716,369	6%

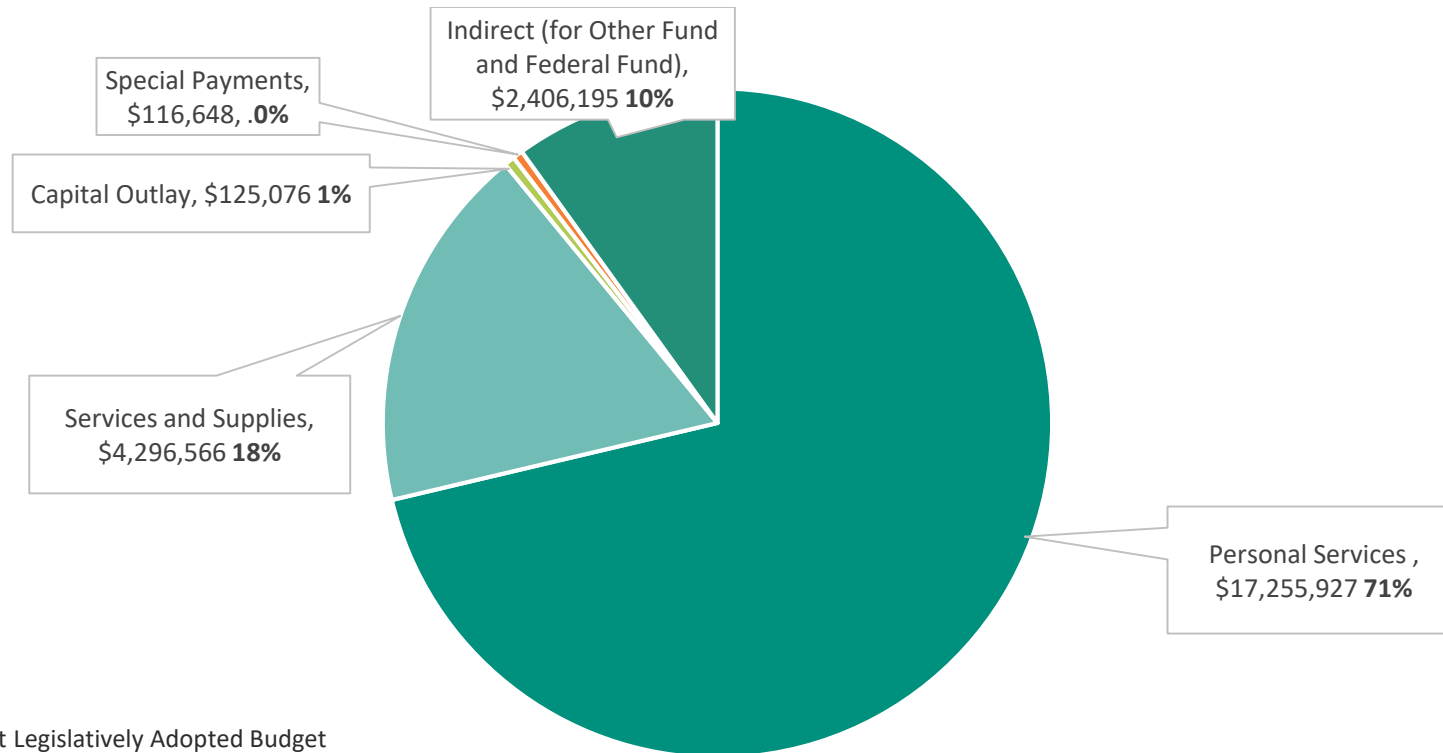
These numbers have passed Department of Administrative Services' audit, and include packages 000 through 070, and adjustments the legislature made in DEQ's budget bill (package 801) and the end-of-session bill (package 810).



# Water Quality Permitting

## Budget by major cost category

Wastewater Permitting Budget\*  
Legislatively Adopted Budget for 2019-21 excluding program enhancements



\*Updated April 10, 2020, to reflect Legislatively Adopted Budget



# Water Quality Permitting

## Budget costs

July 1, 2020 Effective date of last fee increase: Oct. 2019 EQC adopted fee changes: Sept. 2019	
Budget Period	Cost per FTE
2017-19 Legislatively Adopted Budget	\$301,956
2019-21 Legislatively Adopted Budget (Modified current service level <sup>2</sup> )	\$331,340
Percent increase over a two-year period	9.73%

<sup>2</sup> These numbers include packages 000 through 070, and adjustments made by the legislature in DEQ's budget bill (package 801) and the end-of-session bill (package 810).



# Water Quality Permitting

## Overview of proposed changes

- 21% proposed increase to water quality fees for fiscal year 2021 on most water quality permit fees.
  - 3% increase authorized by ORS 468B.051.
  - 18% increase to support program enhancements authorized in policy option packages 122 and 127 of the 2019-21 Legislatively Adopted Budget in the 2019 Oregon legislative session.
- The annual MS4 permit fees are excluded from the 18 percent increase, but not the 3 percent fee increase allowable by statute.

# Water Quality Permitting

## Overview of proposed changes

### Clarification

DEQ proposes the following clarification to the fee language OAR 340-045-0075 fee table 70B, permit type B17, for permits that DEQ covers under this fee type.

*Current:* “Dairies, fish hatcheries and other confined feeding operations on individual permits . . . .”

*Proposed clarification:* ~~Dairies, fish~~ **Fish** hatcheries and other confined feeding operations on individual permits **except permits the Oregon Department of Agriculture administers.**

# Water Quality Permitting

## Changes from the Draft Rule

### Implementation Timeline:

#### Effective June 1, 2020 – May 31, 2021

- 3% annual increase
- Plus, 10% increase to support portion of Legislatively approved enhancements

#### Effective June 1, 2021

- Remaining 8% increase to support 2019-21 Legislative approved budget

# Water Quality Permitting

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DEQ recommends that:

The commission adopt the proposed rule amendments as seen in Attachment A, including the fee tables seen in Attachments B and C, as part of Chapter 340 of the Oregon Administrative Rules Divisions 45 and 71.