



ARIZONA STATE SENATE
Fifty-Fifth Legislature, Second Regular Session

FACT SHEET FOR H.B. 2406

water quality fee fund

Purpose

Broadens permissible uses of the Water Quality Fee Fund (Fund). Allows the Arizona Department of Environmental Quality (ADEQ) Director (Director) to increase fees for specified programs.

Background

The Fund consists of monies appropriated by the Legislature and prescribed fees, including fees for aquifer protection permits (protection permits), individual permits and Arizona Pollutant Discharge Elimination System (AZPDES) program permits. Statute requires the Director to establish fees for the permits one time after July 29, 2010. After the one-time rulemaking, the fees may not be increased without specific statutory authority. Monies in the Fund must be used for: 1) issuing protection permits; 2) protection permit registration fee procedures; 3) dry well registration fee procedures; 4) technical review fee procedures; 5) inspection fee procedures; 6) the issuance of AZPDES program permits; 7) operator certification; 8) implementing statutes related to reclaimed water; 9) water quality monitoring; 10) implementing and administering the Underground Injection Control Permit Program; and 11) implementing and administering the Dredge and Fill Permit Program (A.R.S. §§ [49-210](#); [49-241.02](#); [49-242](#); and [49-255.01](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Broadens permissible Fund uses to encompass activities required to implement:
 - a) additional water quality control statutes, except for those relating to the Brownfields Cleanup Revolving Loan Fund Program and remedial actions;
 - b) the supervision, operation and lease of sanitary engineering facilities and projects in Arizona;
 - c) the adoption and enforcement of rules related to approving design documents for constructing, improving and operating sanitary engineering and other facilities for disposing of deleterious matter;
 - d) the prescription of rules regarding the water supply, sewage disposal and garbage collection and disposal for subdivisions;
 - e) the prescription of measures to prevent pollution of water used in public or semipublic swimming pools and bathing places and deleterious conditions at the places; and
 - f) the prescription of rules regarding sewage collection, treatment, disposal and reclamation systems to prevent the transmission of sewage borne or insect borne diseases.

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2. Removes the prohibition against the Director increasing, by rule, without specific statutory authority, after the permissible one-time rulemaking prescribed in statute:
 - a) protection permit fees;
 - b) individual permit fees; and
 - c) AZPDES program fees.
3. Requires ADEQ to adopt, by rule, protection permit fees.
4. Removes the requirement that each protection permit be subject to a maximum fee.
5. Removes the allowance for a protection permit applicant to request that ADEQ waive the applicable maximum fee for processing a permit action application.
6. Removes the stipulation that, on requesting the waiver, the applicant agrees to pay the total direct costs incurred by ADEQ in processing the application.
7. Removes the permissive authority for ADEQ to process the protection permit application.
8. Clarifies that AZPDES fees will pay for expenses incurred in implementing the AZPDES program, rather than for processing, issuing and denying a permit application.
9. Makes conforming and technical changes.
10. Becomes effective on the general effective date.

House Action

NREW	1/25/22	DP	12-0-0-0
3 rd Read	2/3/22		48-11-1

Prepared by Senate Research

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RC/slp