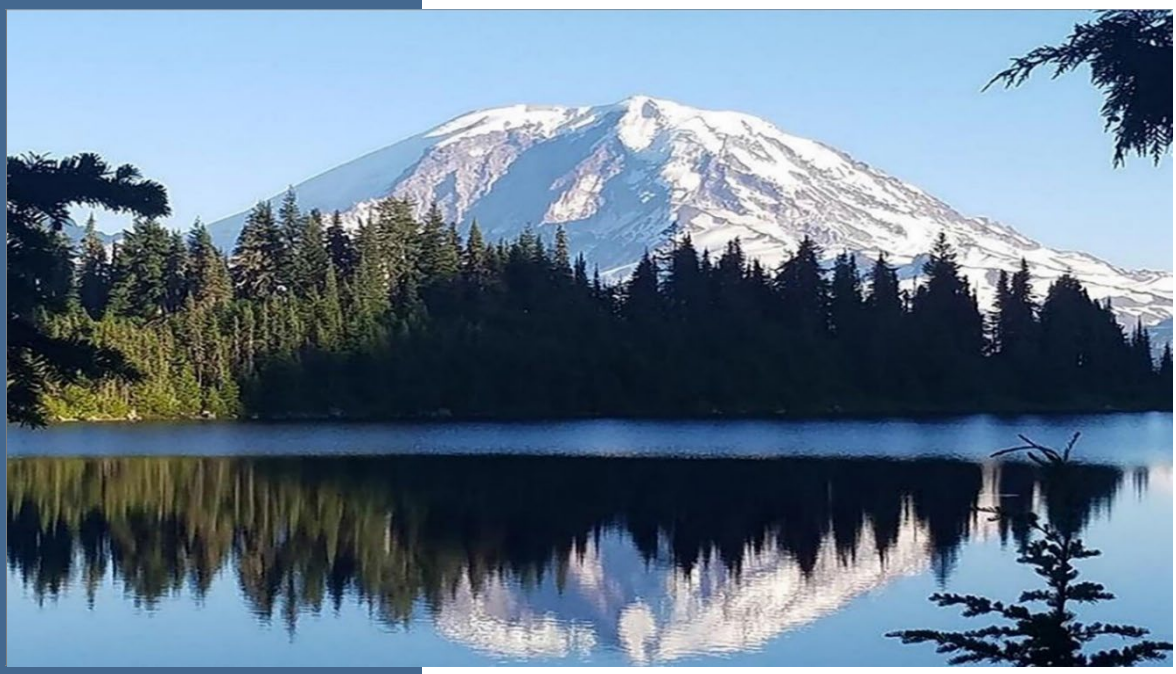

# Wastewater and Stormwater Permit Fee Program

## Report to the Legislature
## 2023-2025 Biennium

Washington State Department of Ecology

Olympia, Washington

February 2026, Publication 25-10-082

DEPARTMENT OF ECOLOGY
State of Washington

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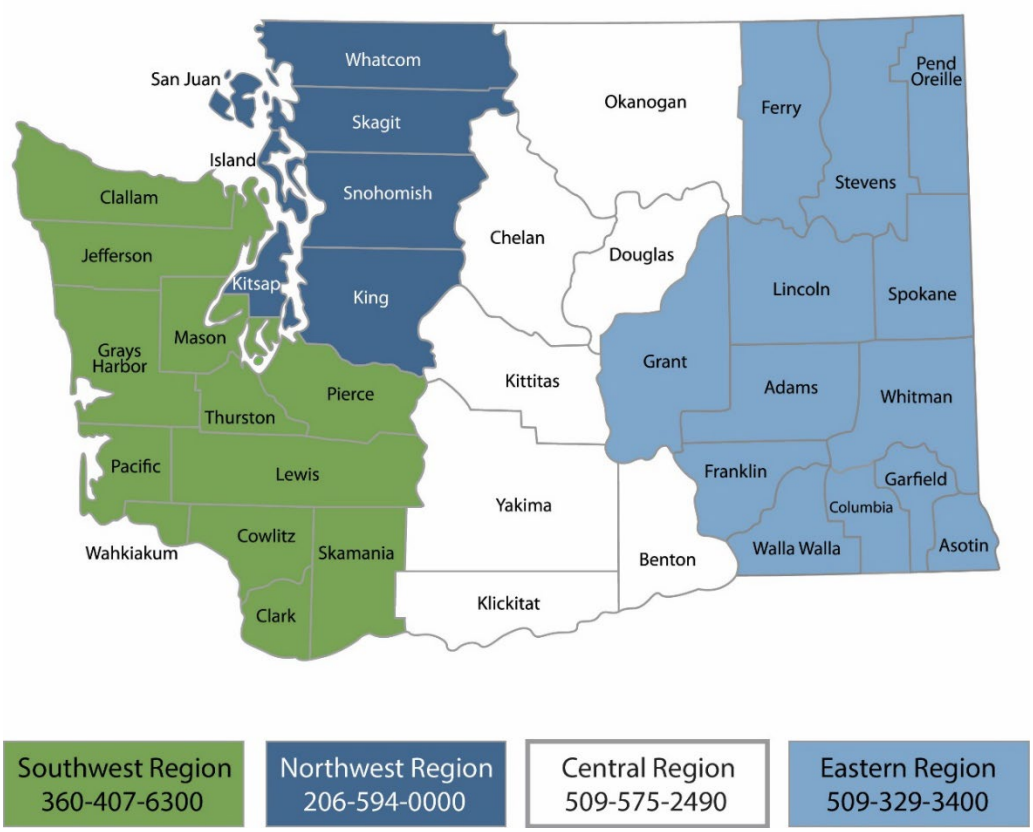
# Department of Ecology's Regional Offices

## Map of Counties Served




| Region | Counties served | Mailing Address | Phone |
|---|---|---|---|
| **Southwest** | Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, Mason, Lewis, Pacific, Pierce, Skamania, Thurston, Wahkiakum | PO Box 47775<br>Olympia, WA 98504 | 360-407-6300 |
| **Northwest** | Island, King, Kitsap, San Juan, Skagit, Snohomish, Whatcom | PO Box 330316<br>Shoreline, WA 98133 | 206-594-0000 |
| **Central** | Benton, Chelan, Douglas, Kittitas, Klickitat, Okanogan, Yakima | 1250 W Alder St<br>Union Gap, WA 98903 | 509-575-2490 |
| **Eastern** | Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Lincoln, Pend Oreille, Spokane, Stevens, Walla Walla, Whitman | 4601 N Monroe<br>Spokane, WA 99205 | 509-329-3400 |
| **Headquarters** | Across Washington | PO Box 46700<br>Olympia, WA 98504 | 360-407-6000 |

# Wastewater and Stormwater Permit Fee Program

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# Contents

# List Of Figures and Tables

# Executive Summary

Washington has almost 74,000 miles of rivers and streams statewide, more than 4,000 lakes, and almost 3,000 square miles of marine estuaries. The Department of Ecology's (Ecology) Water Quality Program mission is to ensure that all aquatic life, and communities in the watershed, experience cool, clean water to refresh and sustain us in a changing climate.

Washington State has delegation from the Environmental Protection Agency to write federal and state permits that are required under the federal Clean Water Act for municipalities and industries. We issue National Pollution Discharge Elimination System (NPDES) Wastewater Discharge Permits based on state surface water quality standards, which may be more stringent than federal water quality standards.

Annual fees are collected from water quality permit holders, and deposited into the Water Quality Permit Account, which is a state revenue account managed by Ecology. This account financially supports our permit program.

The purpose of this report is to describe Ecology's expenditures in relation to Wastewater and Stormwater Permit Fees as required in the Water Discharge Fees statute, RCW 90.48.465(7). The statutory language of RCW 90.48.465(7) is as follows.

> "The Department shall present a biennial progress report on the use of moneys from the account to the legislature. The report will be due December 31st of odd-numbered years. The report shall consist of information on fees collected, actual expenses incurred, and anticipated expenses for the current and following fiscal years."

This report fulfills the above mandate and provides details about the types of permitting activities and the operating budget activities of Ecology that received funding from the Water Quality Permit Account during the 2023-2025 Biennium.

This report also satisfies requirements in RCW 90.48.467.

> "Beginning in 2025, the department of ecology's biennial progress report required in RCW 90.48.465(7) must include information on the implementation of a revised fee structure for full cost recovery for municipal wastewater discharge permits and the use of the fees to administer the municipal discharge permitting program and issue permits in a timely manner. The biennial report must also include information demonstrating progress towards achieving the goal of reducing the wastewater discharge permit backlog to no more than 40 percent by July 1, 2025, and not more than a 20 percent backlog by July 1, 2027."

# Introduction

Water Quality Permit Fees support approximately 35 percent of the overall annual costs for Ecology's Water Quality Program, with support from federal funding and the state's Model Toxics Control Account at 39 and 26 percent, respectively. These percentages may vary from year to year between the accounts, but they tend to be consistent. This report focuses on the 2023-25 revenue and expenditures for the Water Quality Permit Account which is funded by permit fees and supports the water quality permitting workload.

Ecology operates the Water Quality Permit program under authority of the Federal Clean Water Act and the state Water Pollution Control Act. The Water Pollution Control Act of 1991, RCW 90.48.465, gives Ecology authority to establish fees that fully fund the administration of stormwater and wastewater permits. Ecology issues permits to ensure discharges meet water quality standards and comply with state and federal requirements. The law requires fees to be based on factors related to the complexity of permit issuance and permit compliance. Fees may also be based on pollutant loading and toxicity to encourage reducing the quantity of pollutants being discharged; a pollutant load is the mass concentration of a pollutant multiplied by the total volume of water passing by a point of discharge.

This report satisfies the requirements of RCW 90.48.465(7) that Ecology present a report to the Legislature on the use of funds from the Water Quality Permit Account (Fund 176). This account collects and spends funds from wastewater and stormwater permit fees. These types of permits authorize pollutant discharges into Washington's surface and ground waters.

Fees paid by permit holders are deposited into this dedicated account. Each biennium, the state Legislature appropriates operating funds to Ecology and Washington State Department of Agriculture (WSDA) from the permit fee account for fee-eligible program activities.

This report contains information about fees collected and expenses paid during the 2023-25 Biennium (July 1, 2023, through June 30, 2025) from the Water Quality Permit Account. Projections are provided for the 2025-27 Biennium. This report also lists fee-eligible activities and provides a brief description of Ecology and WSDA programs that use funding from the dedicated account for the biennium.

**RCW 90.48.465(7):**

The department shall present a biennial progress report on the use of moneys from the account to the legislature. The report will be due December 31st of odd-numbered years. The report shall consist of information on fees collected, actual expenses incurred, and anticipated expenses for the current and following fiscal years.

This report also satisfies requirements in RCW 90.48.467, that require Ecology to submit a biennial progress report on municipal wastewater permitting and cost recovery.

# Water Quality Permit Program Summary

National Pollutant Discharge Elimination System (NPDES) permits, and state waste discharge permits are issued and administered by Ecology's Water Quality Permit program. Permits are required by statute to discharge wastewater and certain types of stormwaters to waters of the state and waters of the U.S. The federal government has delegated authority to Ecology to administer NPDES permits, partially contingent on the force of state law in controlling pollutant discharges to waters of the U.S.

The state's Water Pollution Control Act (WPCA), Chapter 90.48 RCW, provides statutory authority for the permit program. The WPCA:

- Forbids activities that cause pollution of Washington State's waters, except as provided under authorization by Ecology
- Requires any person who conducts a commercial or industrial operation that results in disposal of waste to waters of the state, or to sewerage systems operated by public entities, to obtain a permit from Ecology
- Requires local governments and other public corporations to obtain permits for discharge of wastes to waters of the state
- Requires Ecology to place conditions in the permits that retain high quality for all waters of the state. Permit conditions require self-monitoring and reporting, discharge limits, and practices that ensure the retention of high-quality waters of the state

**Water Pollution Control Act**

**RCW 90.48.010**

**Policy enunciated**

It is declared to be the public policy of the State of Washington to maintain the highest possible standards to ensure the purity of all waters of the state consistent with public health and public enjoyment thereof, the propagation and protection of wildlife, birds, game, fish and other aquatic life, and the industrial development of the state, and to that end require the use of all known available and reasonable methods by industries and others to prevent and control the pollution of the waters of the State of Washington. Consistent with this policy, the State of Washington will exercise its powers, as fully and as effectively as possible, to retain and secure high quality for all waters of the state.

Wastewater and stormwater permits are some of the state's primary tools to prevent water pollution. Ecology issues permits under the federal Clean Water Act's NPDES program and under state law, to protect water quality. There are a wide variety of facilities that require permits to discharge, such as: domestic wastewater treatment plants that collectively treat sewage from most homes and businesses in Washington, manufacturing, shipyards, refineries, and construction sites, to name a few. Permits set conditions to prevent discharges from harming our lakes, rivers, streams, and marine waters.

Ecology's goal is to review and revise each permit every five years, updating permit conditions based on newly identified contaminants, needs for increasing environmental protection, and changes in available technology. Ecology generally recovers its costs by charging fees to all permit holders. Fee categories and amounts are listed in the Washington Administrative Code, Chapter 173-224. The legislative budget process sets the biennial expenditure levels from the Water Quality Permit Account.

Two separate programs, that are appropriated funding from the Water Quality Permit Fee Account, within Ecology issue permits under the Clean Water Act – the Water Quality Program and the Solid

Waste Management Program. The Water Quality Program issues most permits to industrial dischargers and all permits to communities operating sanitary and stormwater systems. The Solid Waste Management Program issues permits for air, water, and waste activities for most of Washington's largest complex facilities, where multiple industrial processes occur. These include refineries, smelters, pulp and paper mills, and chemical manufacturing plants.

Ecology also issues permits for direct wastewater discharges to surface waters and wastewater discharges to land or ground (because those wastes may affect groundwater). Additionally, facilities discharging industrial wastewater to some municipally owned sanitary systems are issued permits.

WSDA administers, implements, and enforces all sections of the Dairy Nutrient Management Act, Chapter 90.64 RCW, except for the duties of enforcement and issuance of NPDES permits, which are managed by Ecology. WSDA also administers, implements and enforces the Water Pollution Control Act, Chapter 90.48 RCW for Concentrated Animal Feeding Operations. Revenue from the Water Quality Permit Fee Account is appropriated to WSDA via a memorandum of understanding between WSD and Ecology to fund some of these activities.

# Water Quality Program Permit Fee Processes

Ecology is required by Chapter 173-224 WAC – Water Quality Permit Fees to establish fees that fund the wastewater and stormwater permit programs. The rulemaking amendment process is used every two years to recover program costs and move closer to payment equity between permit fee categories. Permit fees recover administrative expenses as directed by the rule.

Budget staff complete permit fee and economic regulatory analyses as part of the rulemaking amendment process. Each rulemaking also includes an Environmental Justice Assessment and Small Business Economic Impact Statement.

As part of the fee analysis, Ecology evaluates revenue and expenditure data for all permit categories to identify any needed fee adjustment proposals. We also review the fee structures and subcategories to determine whether they align with permit business activities and Ecology workload. During the rulemaking process, we may propose restructuring a fee category to better reflect the reality of business activities, permit requirements, and our workload. This process allows us to restore balance where needed and helps ensure that there is fee equity within a fee category and between all fee categories.

The total cash revenue and expenditure per biennium are summarized here in Table 1, as reported from Ecology's Aquarius billing database to the Agency Financial Reporting System (AFRS), the accounting system used by Washington State agencies.

Table 1 Overview of Actual and Projected Revenue

| Biennium | Permit Fee Account Total Revenue (AFRS) | Permit Fee-Supported Expenditures (AFRS, all programs) |
|---|---|---|
| **2021-23** | $51,535,639 (actual) | $44,790,506 (actual) |
| **2023-25** | $57,547,523 (actual) | $59,302,013 (actual) |
| **2025-27** | $78,000,000 (projected) | $74,564,000 (projected) |

The 2021-23 Biennium covered fiscal years 2022 and 2023; expenditures for Ecology were lower than usual due to the pandemic environment.

During the 2023-25 Biennium, subject of this report, expenditures outpaced revenue because there was available cash balance in the permit fee account to cover a portion of anticipated expenditures, thereby reducing the fee increase needed for this biennium. Ecology anticipates higher expenditures during the 2025-27 Biennium (July 1, 2025 through June 30, 2027) due to inflationary increases. There are enough funds in the Water Quality Permit Fee Account to cover this higher expenditure level for this next biennium.

There are approximately 60 fee categories and 150 subcategories for the different types of permits, reflecting the complexity of the permitted sites and permit management workload. Ecology considers the affordability of permit fees for small businesses, small dischargers, small public entities, and financial hardship cases as part of the fee analysis and economic analysis process.

For each permit type requires various levels of effort or support each year, but this discrepancy will

generally balance out over the five-year permit cycle. While there can be some peaks and valleys in revenue and expenditures across the permit cycle, we try to avoid unnecessary spikes in fees by keeping a close watch on revenues and expenditures over time.

The fee analysis will also take into consideration whether Ecology has sufficient staffing to manage the workload for the existing permits, and whether any trends have been identified for future permit workload. A budget request to the legislature is needed to increase staffing, if we are behind on a growing workload.

Each rulemaking, we consider ways to minimize fee increases. One method we use to limit fee impacts is to only adjust fees in categories that have insufficient revenue to recover the costs of administering those permits.

Ecology's Permit Fee Unit completes the daily operations for revenue collection, which include updating contact and financial data in the billing system, generating invoices and processing refunds, processing new coverages, transfers and terminations in the billing system, processing over 3,000 data forms annually, maintaining the financial systems used to track and account for fee revenue for the Water Quality Permit Account, managing delinquent accounts, and providing billing account customer service.

A fully funded program ensures that permit holders receive timely service and that the program protects Washington's waters by minimizing pollution.

# 2023-25 Biennium Revenue

The 2023-25 Biennium includes two state fiscal years: Fiscal Year 2024 and Fiscal Year 2025. The total cash revenue received from water quality permit holders for the 2023-25 Biennium, as recorded in the state's Agency Financial Reporting System (AFRS), was $57,547,523.[1] Table 2 below shows the amount of revenue Ecology received for the 2023-25 Biennium from fees charged to wastewater and stormwater permit holders and the average number of permit holders and the annual fees paid by category and fiscal year. The revenue data in this table demonstrates the wide range of permit fee revenue due to the large variation in permitting complexity and pollution risk.

Revenue increased in the 2023-25 Biennium from the previous biennium due to fee increases. Overall revenue in Fiscal Year 2025 decreased slightly due to a drop in the number of some permits and writing off very old invoices.

Table 2 2023-25 Biennium Water Quality Permit Fee Revenues by Fee Category

(Source: Aquarius Permit Fee Tracking System as of Sept. 9, 2025)

| Permit Fee Category | Average # of Annual Permits | FY24 Revenue Received | FY25 Revenue Received |
|---|---|---|---|
| **Total Revenue by Fiscal year** | **6,798** | **$30,367,614** | **$29,918,333** |
| Aluminum Alloys | 1 | 22,950 | 22,950 |
| Aluminum & Magnesium Reduction Mills | 2 | 231,560 | 231,560 |
| Aluminum Forming | 1 | 72,830 | 77,100 |
| Aquaculture | 101 | 405,046 | 400,525 |
| Aquatic Pest Control | 225 | 165,256 | 178,059 |
| Boatyards - General Permit | 63 | 43,977 | 46,796 |
| Bridge and Ferry Terminals Washing | 13 | 45,338 | 55,836 |
| Coal Mining and Preparation | 1 | 9,000 | 9,000 |
| Combined Food Processing Waste Treatment | 5 | 99,000 | 84,000 |
| Combined Industrial Waste Treatment | 3 | 107,800 | 107,800 |
| Combined Sewer Overflow System | 1 | 15,700 | 15,700 |
| Concentrated Animal Feeding Operations | 33 | 53,406 | 71,457 |
| Construction Stormwater | 3,352 | 4,149,063 | 3,747,678 |
| Facilities Not Otherwise Classified | 64 | 933,730 | 920,036 |
| Flavor Extraction | 3 | 645 | 610 |
| Food Processing | 73 | 1,676,725 | 1,694,453 |
| Fruit Packers - General Permit | 156 | 867,175 | 875,690 |
| Fuel And Chemical Storage | 7 | 85,080 | 89,780 |
| Hazardous Waste Clean Up Sites | 14 | 129,604 | 147,338 |

[1] AFRS cash and Aquarius revenue totals differ slightly due to the timing of when payments and refunds and other adjustments to revenue receipts in AFRS. Aquarius data represents invoices paid for Fiscal Years 2024 and 2025.

| Permit Fee Category | Average # of Annual Permits | FY24 Revenue Received | FY25 Revenue Received |
|---|---|---|---|
| Industrial Stormwater (Individual Permits) | 15 | 154,117 | 156,343 |
| Industrial Stormwater (General Permits) | 1,225 | 3,273,428 | 3,030,234 |
| Ink Formulation and Printing | 3 | 24,180 | 24,180 |
| Inorganic Chemicals Manufacturing | 12 | 262,870 | 256,171 |
| Iron And Steel | 3 | 114,780 | 114,780 |
| Metal Finishing | 19 | 122,980 | 125,863 |
| Municipal Stormwater General Permit | 164 | 2,798,507 | 2,892,585 |
| Municipal Wastewater – Residential Equivalent | 266 | 8,050,946 | 8,080,101 |
| Municipal Wastewater – Puget Sound Nutrient GP | 58 | 462,517 | 466,444 |
| Noncontact Cooling Water w/o Additives - Indiv. | 12 | 91,700 | 91,700 |
| Noncontact Cooling Water/Additives - GP | 5 | 4,300 | 3,440 |
| Noncontact Cooling Water/Additives - Indiv. | 6 | 57,220 | 88,660 |
| Nonferrous Metals Forming | 2 | 45,900 | 45,900 |
| Ore Mining, Refining, Processing, Other | 9 | 69,014 | 68,300 |
| Organic Chemicals Manufacturing | 1 | 58,900 | 58,900 |
| Petroleum Refining | 5 | 705,850 | 705,850 |
| Photofinishers | 1 | 3,930 | 3,900 |
| Power And/Or Steam Plants | 18 | 213,475 | 293,883 |
| Private & State-Owned Domestic Wastewater Facilities | 38 | 167,382 | 168,875 |
| Pulp, Paper and Paper Board | 13 | 1,114,086 | 1,202,436 |
| Radioactive Effluents & Discharges | 1 | 38,000 | 38,000 |
| RCRA Corrective Action Sites | 2 | 34,300 | 34,300 |
| Sand and Gravel – General Permit | 863 | 1,572,606 | 1,491,555 |
| Seafood Processing | 27 | 324,530 | 304,501 |
| Shipyards | 19 | 221,720 | 224,130 |
| Solid Waste Sites | 18 | 286,560 | 286,560 |
| Textile Mills | 1 | 78,500 | 78,500 |
| Timber Products | 16 | 431,130 | 431,130 |
| Vegetable/Bulb Washing Facilities | 7 | 9,980 | 9,950 |
| Vehicle Maintenance & Freight | 6 | 43,200 | 15,720 |
| Vessel Deconstruction | 2 | 22,650 | 26,973 |
| Water Plants - General Permit | 32 | 122,100 | 111,000 |
| Water Plants - Individual Perm | 5 | 26,500 | 21,200 |
| Winery - General Permit | 19 | 18,791 | 30,781 |
| Winery - Individual Permit | 11 | 226,930 | 158,970 |

Table 3 below shows the seven highest revenue generating fee categories for the 2023-25 Biennium. The fee categories in Table 3 are typically in the top highest revenue fee categories each biennium.

Table 3 2023-25 Biennium - Top 7 Highest Revenue Fee Categories

(Source: Aquarius Permit Fee Tracking System as of Sept. 9, 2025)

| Fee Category | Total Biennial Revenue (FY24 & FY25) | % Total Revenue | Avg No. of Permits annually |
|---|---|---|---|
| **All fee categories** | **$60,285,947** | **100%** | **6,800** |
| **Top 7 revenue generating Fee Categories:** | **$44,774,403** | **74%** | **5,956** |
| | | | |
| Municipal Wastewater – Residential Equivalent (Individual Permits) | $16,131,047 | 27% | 266 |
| Construction Stormwater General Permits | $7,896,741 | 13% | 3,352 |
| Industrial Stormwater General Permits | $6,303,234 | 10% | 1,225 |
| Municipal Stormwater General Permits | $5,691,092 | 9% | 164 |
| Food Processing (Individual Permits) | $3,371,178 | 6% | 73 |
| Sand & Gravel General Permits | $3,064,161 | 5% | 863 |
| Pulp, Paper and Paper Board (Individual Permits) | $2,316,522 | 4% | 13 |

The vast majority of the 60 individual fee categories account for less than 1% each of total annual revenue.

Construction stormwater permits turnover frequently. Each construction stormwater permit remains open for an average of 2.2 years. Ecology issues approximately 1,000 new construction stormwater permits annually and terminates approximately 1,000 existing permits annually. We typically have between 2,800 and 3,300 open construction stormwater permits at any point in time. This revenue can fluctuate from year to year according to opening and closing of these permits. The decrease in revenue seen in Table 2 between fiscal year 2024 and 2025 is reflective of the high turnover rate for this permit group.

Likewise, in very small groups of permits, a single permit issuance or termination may significantly impact the revenue that the fee category generates.

# Small Business Fee Reductions

## Small Business Fee Reduction

RCW 90.48.465 requires Ecology to consider the economic impact of fees on small businesses and public entities, and to make appropriate adjustments. Ecology complies with this requirement by granting fee reductions for eligible small businesses, reducing their annual permit fee by 50 percent. To be eligible for small business reductions, businesses must:

- Be a corporation, partnership, sole proprietorship, or other legal entity formed for the purpose of making a profit
- Be independently owned and operated from all other businesses
- Have annual sales of $1 million or less of the goods and services produced, using the processes regulated by the waste discharge permit
- Pay an annual permit fee greater than $500

## Extreme Hardship Reduction

In addition to the small business fee reduction, Ecology allows for extreme hardship fee reductions. The extreme hardship fee was $150 for qualifying small businesses. The eligibility requirements consist of the following:

- Meet the criteria for a small business reduction
- Have annual sales totaling $100,000 or less of the goods and services produced using the processes regulated by the water quality permit

Most wastewater permit holders are eligible to apply for fee reductions, except for municipalities because they do not meet the definition of a small business. Industrial and construction stormwater general permits are not eligible to apply because the fee schedules for these permits already include considerations for small projects and small businesses. Staff reviews each fee reduction application to determine eligibility. In Fiscal Year 2024, there was one application denial. In Fiscal Year 2025 there were no denials.

The total savings to wastewater and state waste small businesses that qualified for the small business and/or extreme hardship fee reduction is as follows:

- Fiscal Year 2024: Ecology reduced permit fees for 10 businesses, resulting in savings for small businesses totaling $45,086
- Fiscal Year 2025: Ecology reduced permit fees for 6 businesses, resulting in savings for small businesses totaling $38,040

# Appropriations and Expenditures

## Appropriations

In the 2023-25 Biennial Operating Budget, Ecology's appropriation from the Water Quality Permit Account was $67,267,650. Washington State Department of Agriculture's (WSDA) appropriation was $73,000. Ecology and WSDA have a memorandum of understanding for WSDA to conduct inspections for the Concentrated Animal Feeding Operation permits.

## Expenditures

For the 2023-25 Biennium, expenditures increased over the prior biennium due to inflation and new staff positions the Water Quality Program received to address a backlog of permit work. However, expenditures were still below the appropriation authority of $67,267,650 as granted by the legislature. Expenditures were lower than expected due to the time it took to fill the new staff positions received. State hiring, contract, and travel freezing also impacted expenditures.

Table 4 2023-25 Permit Fee Expenditure Summary by Program (Source: AFRS data as of October 9, 2025)

| | Agency Administration | Environmental Assessment | Nuclear Waste | Solid Waste | Toxic Control | Water Quality |
|---|---|---|---|---|---|---|
| **Appropriation by Program** | **$ 5,982,000** | **$6,940,000** | **$ 231,000** | **$ 2,763,000** | **$ 1,819,000** | **$49,481,000** |
| **Salaries & Benefits** | $ 5,009,478 | $ 3,978,968 | $ 133,146 | $ 1,977,267 | $ 1,031,729 | $ 37,101,734 |
| **Capital Outlay** | | $ 38,996 | | $ 1,649 | | $ 70,602 |
| **Contracts** | | $ 175,678 | | $ 3,950 | $ 230 | $ 156,857 |
| **Goods & Services** | $ 48,793 | $ 579,015 | | $ 43,138 | $ 4,183 | $ 1,894,824 |
| **Grants, Benefits, & Client Services** | $ 2,412 | $ 235 | | | | $ 350 |
| **Travel (Conferences & Training)** | | $ 108,450 | | $ 25,490 | $ 5,854 | $ 515,830 |
| **Intra-agency Reimbursements** | $ 464,308 | $ 368,300 | $ 6,312 | $ 274,797 | $ 140,467 | $ 4,198,243 |
| **Manchester Lab** | | $ 940,729 | | | | |
| **Total Expenditures** | **$ 5,524,991** | **$ 6,190,371** | **$ 139,458** | **$ 2,326,291** | **$ 1,182,463** | **$ 43,938,440** |
| **Grand Total** | **$59,302,014** | | | | | |

You can find additional information on 2025-27 budget allocations and program projects at Water Quality Permit Account to Ecology programs,[2] and by going to the section called "*Budget by Program*" section of the *Budget and Program Overview for 2025-27.* The 2023-25 report is currently available at this link but will be updated in late December 2025 or early January 2026.

[2]https://apps.ecology.wa.gov/publications/SummaryPages/2301004.html

# Permitting Workload Description

This section summarizes the fee-eligible components of the Water Quality Permit program. These activities reflect the core work in permitting, which varies from one permit category to another, and include shared activities needed to administer the permit program across all permit categories.

A detailed description of the permit process is available in Chapter 2, section 3 of the Water Quality Program Permit Writers' Manual[3].

There are three general types of water quality permits administered:

- **Municipal Wastewater** – Approximately 302 municipal, state, and private facilities that treat and discharge sanitary sewage.
- **Industrial Wastewater** – Over 2,347 facilities that discharge wastewater from industrial processes (permitted industries cover a variety of activities, from pulp and paper mills to fish hatcheries, from food processors to boatyards).
- **Stormwater** – About 4,075 commercial and industrial facilities, construction sites, and public infrastructure discharge contaminated rain runoff.

Ecology's Water Quality Permit program involves:

- Soliciting and receiving permit applications
- Evaluating and making decisions based on application information and data
- Drafting new permits or updating for reissuance
- Conducting a public process on draft and final permits
- Preparing fact sheets to communicate how permit decisions are made
- Issuing individual and general permits
- Providing technical assistance

Ecology issues both general permits and individual permits. An individual permit is developed from the application, or from the existing permit, if it is a renewal. A general permit is one written permit that customers can apply for coverage under.

General permits allow a unified approach to regulating similar facilities or industries. For instance, there are approximately 3,000 construction stormwater permittees that are currently covered under the Construction Stormwater General Permit – meaning there is one permit for this group of 3,000 customers. Writing one permit instead of 3,000 individual permits, saves Ecology a tremendous amount of time and resources.

Permit processing includes a quality assurance and quality control process before it is issued by Ecology to ensure permits are consistent with both federal and state law. Issuance of a permit includes consideration of many factors, such as:

[3] https://apps.ecology.wa.gov/publications/SummaryPages/92109.html

- Technology available to reduce pollutants
- Local water quality status
- Other applicable state and federal rules and policies

Ecology's permit program also oversees and provides technical assistance to municipalities that have received authority from Ecology to write and issue their own wastewater discharge permits (delegated pretreatment program).

Ecology conducts inspections per Environmental Protection Agency requirements, as well as for compliance purposes for state permits. Inspections include facility and site visits, compliance monitoring, and complaint response. The process involves preparation, observations at the site location, recording, documentation of the inspection, technical assistance, and sometimes include sampling. Municipal inspections may include operation and maintenance activities. Environmental investigations and special studies may also be included.

Specialized environmental investigations may be needed to ensure permit compliance. They can determine if additional conditions should be required within a given section of a water body that does not meet state water quality standards. These investigations may include the development of total maximum daily loads and determining wasteload allocations for point source dischargers. Wasteload allocations are the maximum amount of pollution that a particular waterbody can receive and still meet water quality standards.

Special studies may include surface water, groundwater, and sediment quality investigations in proximity to discharges.

### Additional Permit Administration Activities

Review of discharge monitoring reports (DMRs) from the permit holder and other permit-required submittals that satisfy water quality law, and regulations that may not be directly required in the permit. Examples include the review of engineering studies for treatment, process changes, and sewage system planning reviews.

Preparation for Water quality permits that are appealed. This involves responding to permit appeals by permit holders or third parties. Appeals involve case preparation and participation by Ecology staff at the Pollution Control Hearings Board sessions. Time spent preparing for settlement agreements may be included.

Management of data including data entry and the operation and maintenance of the permit program's central database through Ecology's Permit and Reporting Information System (PARIS). PARIS stores permit-specific information for permitted facilities and has reporting capabilities for external viewers. Other data management systems include the permit billing system, and the web portal that allows permit holders to upload documentation electronically to PARIS.

Providing technical assistance during the permitting process and providing technical assistance to permit holders on the application of rules, policies, guidelines, and manuals related to implementing their permit. This activity is conducted through various communication methods, including site visits to many general permit holders.

Compliance activities are actions that ensure permittees meet permit requirements. Activities to avoid escalation of formal enforcement include phone calls, warning letters, technical assistance, and

other actions.

- Developing rules to implement statutory requirements and/or updating existing water quality rules;
- Developing policies and procedures that support or guide permit development, updates, revisions, and standard operating procedures; and
- Providing permit coordination including internal tracking and guiding of permit applications through the process of review, preparation, the public review process, and responding to public and applicant queries on the status of the permit.

The following actions are not direct components of the permitting program, but are fee eligible activities with costs shared proportionally based on permit program related tasks:

- Supervision of permit program staff (e.g. training and development, guidance and oversight on controversial situations, overall administration of the program);
- Budget and information technology support (e.g. database application development and maintenance, fund management, program budget development and management, budget response to legislative requests, time recordkeeping and payroll, program operations and technical planning);
- Administrative support (e.g. permit manager support, word processing, operations support, assistance with the permit development processes);
- Responding to a wide variety of public disclosure requests with documents and other applicable records;
- Communications and educational outreach provided to the public and permitted entities (e.g. preparing and using educational materials, conducting outreach to permit holders and stakeholders on the proper use of technical manuals and guidelines);
- Formalized communications outreach (e.g. press releases, rulemakings, public comment periods and public hearings, responses to media requests, requests from other public agencies); and
- Miscellaneous activities (e.g. complaint response, executive assistance and reporting, legislative assistance and reporting, general coordination with water quality assessments).

# Programs Funded with Permit Fees

## Water Quality Program

The Water Quality Permit Account that supports our permitting program is managed by Ecology. The program administers 99 percent of the wastewater and stormwater permits managed by Ecology, and the Solid Waste Program and Nuclear Waste Program manage the other 1 percent. The Water Quality program was provided with $49,481,000 in Water Quality Permit Fee funding in the 2023-25 Biennium, and spent $43,938,440, as seen in Table 4 on page 17. The underspend was due to salary savings from a high position vacancy rate as we tried to fill the new positions we received in this biennium. The Program uses permit fees as described in the previous Permit Workload Description section.

## Solid Waste Management Program

Ecology's Solid Waste Management Program includes the Industrial Section that is responsible for permit processing, management, and inspections for major NPDES industrial wastewater facilities statewide. These facilities utilize industrial stormwater individual permits, inorganic and organic chemical manufacturing, most pulp and paper mills, power and steam plants, aluminum mills, and oil refineries – to name a few. The Industrial Section also is responsible for air quality and solid waste permitting for these facilities.

The program was provided with $2,763,000 in Water Quality Permit Fee funding in the 2023-25 Biennium, and spent $2,326,291, as seen in Table 4 on page 17. The underspend was due to salary savings from multiple position vacancies. Much of the funding was used for permit processing, permit management, and conducting inspections for evaluating compliance with the NPDES permits that they are responsible for implementing.

## Environmental Assessment Program

Ecology's Environmental Assessment Program conducts surveys and special studies, as well as the fieldwork and hydraulic modeling necessary for the development of total maximum daily loads (TMDLs), or water quality cleanup plans. Based on that work, this program also provides waste load allocation recommendations to the permitting programs (e.g., Water Quality Program) to inform effluent limits in permits. Specific deliverables include:

- Quality assurance plans (QAPPs) and reports for TMDL and watershed pollution studies
- Technical memoranda documenting workload allocation calculations, mixing zone model results, recommendations to external stormwater work group, etc.
- Data assessment reports related to point source monitoring projects
- Standard operating procedures for point source monitoring methods
- Literature reviews related to permits (e.g., stormwater best management practices effectiveness)

- Technical memoranda documenting reviews of QAPPs and reports prepared by individual permit holders/consultants (e.g., for mixing zone models)
- Technical memoranda documenting reviews of QAPPs and reports prepared by general permit holders (e.g., for municipal stormwater grant monitoring projects)
- Lab auditors in the lab accreditation program provide support to permitted sites

The Environmental Assessment Program was provided with $6,940,000 in Water Quality Permit Fee funding in the 2023-25 Biennium, and spent $6,190,371, as seen in Table 4 on page 17. The underspend was due to salary savings from multiple position vacancies.

## Toxics Cleanup Program

Ecology's Toxics Cleanup Program administers Washington's implementation of the Federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the state's Model Toxics Control Act (MTCA).

The Toxics Cleanup Program was provided with $1,819,000 in Water Quality Permit Fee funding in the 2023-25 Biennium, and spent $1,182,463, as seen in Table 4 on page 17. The underspend was due to salary savings from multiple position vacancies.

Occasionally, cleanups involving leaking underground storage tanks and other non-independent actions require wastewater discharge permits. In those cases, the Toxics Cleanup Program has the lead responsibility for permit processing, management, and inspections. The program's Sediments Unit is responsible for developing sediment quality standards and permit guidance for their implementation.

Additionally, the program houses the Urban Bay Action Teams. These teams coordinate cleanup activities that occasionally involve wastewater discharges as part of a treatment system for the cleanup. In those instances, the Toxics Cleanup Program has permit processing, management and inspection responsibilities.

## Agency Administration

Ecology's Administrative Services program supports agency-level activities that are not always directly attributable to programs and expenses that are charged to programs as a cost of doing business. Administrative Services includes financial staff, human resources, portions of executive-level management, and facilities operations and staff services.

The Administrative Services program was provided with $5,982,000 in Water Quality Permit Fee funding in the 2023-25 Biennium and used the funding to support the Ecology accomplishing its mission related to the Water Quality Permit Account. Administration spent $5,524,991, as seen in Table 4 on page 17. The underspend was due to salary savings from multiple position vacancies.

These support activities include:

- Providing information to residents about environmental threats

- Providing executive policy direction
- Promoting working relationships with members of the legislature, Tribes and interested parties
- Providing regional support services
- Providing human resource services
- Managing financial systems and accounts receivable
- Providing information technology services
- Providing safe and secure workplaces by maintaining facilities and equipment
- Managing Ecology records and ensuring appropriate public access to those records through the public records request process

Additional shared agency costs are pooled and then charged to Ecology programs through the cost allocation process. This consists of direct monetary charges to Ecology programs that are required to pay for items such as building space and Information Technology services. These costs are included in the totals for each program listed in Table 4, with Water Quality Program and Solid Waste Management Program specifically listed as "intra-agency reimbursements".

## Nuclear Waste Program

Ecology's Nuclear Waste Program enforces regulatory compliance and cleanup at the Hanford site and at other facilities managing nuclear waste statewide. The program administers wastewater permits at the Hanford site, including a Radioactive Exposure Devices (REDS) permit. The Nuclear Waste Program was provided with $231,000 in Water Quality Permit Fee funding in the 2023-25 biennium and used the funding to cover staff time administering the wastewater and REDS permits. The program spent $139,458, as seen in Table 4 on page 17. The underspend was due to salary savings from a position vacancy.

## Washington State Department of Agriculture

WSDA administers, implements, and enforces all sections of the Dairy Nutrient Management Act, Chapter 90.64 RCW, except for the duties of enforcement and issuance of NPDES permits. WSDA also administers, implements, and enforces the Water Pollution Control Act, Chapter 90.48 RCW regarding violations by dairies. WSDA completes statewide inspections of Concentrated Animal Feeding Operations under a state and or federal wastewater discharge permit.

# Focus Area: Municipal Wastewater Permit Fees

In response to a growing backlog of administratively continued permits for municipal wastewater facilities, the 2022 state legislature passed Engrossed Substitute Senate Bill 5585 that removed a cap on municipal wastewater permit fees in RCW 90.48.465. This action allowed for improved fee equity and provided for additional new resources to tackle the permit backlog. The legislature also gave Ecology permit backlog reduction targets of 40 percent by 2025 and down to 20 percent by 2027. In 2023, the legislature approved a budget request that allowed Ecology to hire more permitting staff. Ecology completed the hiring process for the new positions and we are in the process of training these recent hires.

Although Ecology has worked diligently to increase permit issuance and reissuance, we did not achieve the 2025 backlog reduction goal set in statute. This is largely due to delays from the statewide hiring freeze and then the time lag between receiving funding for staff and hiring, and those staff being fully trained and producing final permits. A new permit writer typically takes three or more years of experience before operating at full capacity. As staff come on board and are trained, we are focused on achieving the 20 percent backlog goal for 2027.

To support the additional staffing needs, Ecology worked with the Municipal Wastewater Permit Fees Advisory Committee (also established in Engrossed Substitute Senate Bill 5585) to develop recommendations for municipal wastewater permit fees. The committee's work informed the fee changes proposed for both fiscal years 2023 and 2025.

We see in our municipal wastewater permit backlog data that the backlog continued to grow throughout the 2023-25 Biennium, hitting a high of 80 percent. The trend line has since started to reverse. As of July 1, 2025, the municipal wastewater permit backlog is 73 percent. Our permit issuance has improved, as our newer employees complete their initial permits. Since permits are issued for five years, we strive to issue 20 percent of our municipal permits each year to stay current (approximately 60 permits annually or 15 permits quarterly). We reissued 15 municipal wastewater permits in both fiscal years 2024 and 2025. Looking ahead to fiscal year 2026, we reissued another 14 permits within the first quarter, which reflects a significant increase in the pace of reissuance. As staff continue to gain experience, we will see more and more quarters where we achieve our productivity goals. Once we sustain a rate of reissuing an average of 15 permits per quarter, the backlog will be reduced to almost zero.

# Accomplishments

Below are a few of the many successful outcomes Water Quality Permit Fee funds made possible during the 2023–25 Biennium. These accomplishments generate benefits for Washington's eight million residents, that will reach far beyond the two-year period of reported activity.

- Renewed 12 general permits: Aquatic & Invasive Species Control, Aquatic Mosquito Control, Concentrated Animal Feeding Operations, Industrial Stormwater, Irrigation System Aquatic Weed Control, Phase 1 Municipal Stormwater, Western Washington Phase II Municipal Stormwater, Eastern Washington Phase II Municipal Stormwater, Vessel Deconstruction, Water Treatment Plant, Winery, and Zostera Japonica Eelgrass Management (12 general permits covering more than 1,500 permit holders)
- Released the Stormwater Management Manuals for western and eastern Washington in 2024
- Released the 2024 Update to TAPE Guidance Documents (Technology Assessment Protocol – Ecology for emerging stormwater treatment)
- Completed a Concrete Study to inform certain permit conditions in the upcoming reissuance in 2026 of the Sand & Gravel General Permit. (Report to be published soon)
- Provided daily technical assistance and general permitting customer service to over 7,000 permitholders. Also provided daily billing customer service to this same group
- Fulfilled over 632 Public Disclosure Requests (PDRs) related to terminated and active permits. Ecology has seen a steady increase in PDRs year over year since at least 2013. Each request may cover a single permit, or it may cover all permits under a specific entity or all permits related to a specific project. Some of our PDRs require significant staff time to fulfill
- Completed two rulemakings: 2023-25 Water Quality Permit Fees and 2025-27 Water Quality Permit Fees
- Completed ongoing updates and enhancements to the PARIS Permit and Reporting Information System, the permitting web portal, and the billing system
- Moved all Aquatic Pest Control Permits into the PARIS system where they are more easily accessible to permitholders

Although the Wastewater Operators Certification Program is not funded by permit fees, it is managed by the Permit Technical Services Unit and plays an important role in supporting the permitted wastewater treatment facilities. As of June 30, 2025, there were a total of 1,751 certified wastewater treatment plant operators statewide. During the 2023-25 Biennium, 543 existing operators passed their standardized exam, and 331 new operators were certified. Additionally, 1,026 applications were reviewed and processed during the 2023-25 biennium.

# Conclusion

Ecology manages more than 7,000 water quality permits as the state's primary tool for preventing point source water pollution, and to address some nonpoint water pollution such as municipal stormwater and nutrients. Permits are required to discharge wastewater, and certain types of stormwater, to waters of the state and U.S. Ecology's authority to establish and assess permit fees under RCW 90.48.465 is critical to the success of the permitting program. Without a dedicated revenue stream and funding source to support the permitting program, Ecology would not have adequate resources to protect Washington waters from point source pollution discharges. Ecology currently has adequate funding from permit fees to meet its Clean Water Act obligations.

During this biennium, the legislature approved additional staffing to better align with permit workload and customer service standards. We are seeing positive results from that support and expect permit timeliness to continue to improve over the next four years. Whenever the legislature approves additional staffing, we always look at where workload needs are greatest – which usually coincides with areas needing more customer service. We take a long-term and thoughtful approach to any staffing requests and future fee increases.

Fee increases are usually driven by permit demand and the rate of inflation. Additionally, they reflect costs of the expected workload related to implementing the permit program and include inflation-driven changes to labor and materials costs necessary to maintain current levels of administration. During the 2023-25 Biennium, vacant positions created salary savings that contributed to a strong cash balance and allows us to take a measured approach in future fee increases.

Every two years, Ecology reviews permit fees to ensure they reflect the costs of administering water quality permits. Any future permit fee increases will be available for public review and comment as part of our rulemaking process. Ecology will continue to work with staff and permit holders to improve the fee structure each biennium in pursuit of an equitable system.