

## WASTEWATER OPERATOR CERTIFICATION FEES

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**Senate Bills 447 and 448**

**Sponsor: Sen. Roger Kahn, M.D.**

**Senate Committee: Appropriations**

**House Committee: Appropriations**

**Complete to 8-4-11**

### **A SUMMARY OF SENATE BILLS 447 and 448 AS PASSED THE SENATE 6-23-2011**

Senate Bill 447 would amend the Safe Drinking Water Act (MCL 325.1009) to permit the Department of Environmental Quality (DEQ) to conduct a training and certification program for drinking water treatment and distribution facility operators. The bill allows the DEQ to charge fees for these programs until October 1, 2017, in accordance with Section 3110 of the Natural Resources and Environmental Protection Act (NREPA). The fees are to be deposited into the Operator Training and Certification Fund.

Senate Bill 448 would amend Part 31 of NREPA, the Water Resources Protection, and Part 41 of NREPA, the Sewerage Systems, to permit the DEQ to charge fees for wastewater operator certification exams and renewals. The bill establishes a new fee schedule as shown in Table 1 and allows the Department to charge these fees until October 1, 2017.

Under the provisions of the bill, the Department shall conduct a program for persons or organizations offering approved continuing education courses for certified operators and supervisors which are needed for the renewal of their certifications. The application fee for the approval of a training course would be \$75 per course; the applications fee for the renewal of an approved training course would be \$50 for each course. These fees would also sunset on October 1, 2017.

The bill would create the "Operator Training and Certification Fund" within Treasury and requires that the fees collected under the provisions of the bill shall be deposited into the new fund. The fund shall only be used for administration, licensing, examination, and education activities under Part 31 and 41 of NREPA and the Safe Drinking Water Act, PA 399 of 1976.

The Department would be required to submit a report by January 1st of each year that includes the following information for each program:

- The type and number of training programs offered, including the number of participants.
- The type and number of certification exams given.
- The type and number of certifications awarded.
- The balance of the Operator Training and Certification Fund at the end of the fiscal year.

Part 31 of NREPA requires that any entity that discharges liquid wastes into any surface water, groundwater, or directly onto the ground must have waste treatment or control facilities that are under the supervision of department-certified personnel. The bill would exempt concentrated animal feeding operations (CAFOs) from this requirement.

## FEE REVENUE

The following table lists the fees proposed by Senate Bills 447 and 448 and the estimated annual revenue from each fee:

**TABLE 1. WASTEWATER OPERATORS FEES**

<b>Examination</b>	<b>Proposed Fee</b>	<b>Estimated Annual Revenue</b>
Drinking Water (Level 1-4)	\$ 70	\$ 52,500
Drinking Water (Level 5)	45	4,995
Industrial Wastewater (Level A-1a & A-1h)	30	1,350
Industrial Wastewater (Level 1 - 2)	35	7,245
Industrial Wastewater (Level 3)	40	960
Municipal Wastewater (Level A - D)	70	15,750
Municipal Wastewater (Level L2, L1 & SC)	45	1,485
Storm Water Industrial	30	9,900
<b>Total Examination Fees</b>		<b>\$ 94,185</b>
<b>Renewals</b>		
Drinking Water	\$ 95	\$53,200
Industrial Wastewater	95	21,280
Municipal Wastewater	95	30,970
Storm Water Construction	95	74,100
Storm Water Industrial	95	58,900
<b>Total Renewal Fees</b>		<b>\$ 238,450</b>
<b>Continuing Education Credit Courses</b>		
New Course Application	\$ 75	\$7,800
Course Renewal Application	50	13,200
<b>Total Continuing Education Fees</b>		<b>\$ 21,000</b>
<b>TOTAL ESTIMATED ANNUAL REVENUE</b>		<b>\$ 353,635</b>

## BACKGROUND INFORMATION:

Within the DEQ, the Environmental Resource Management Division (ERMD) has an Operator Training and Certification Unit that administers programs for the training and certification of the operators of municipal and industrial wastewater and drinking water treatment facilities. The program offers training on treatment process control and

laboratory analysis and offers on-site technical assistance concerning the operation, maintenance, and laboratory analyses upon request as well.

The goal of the program is to assure that there are adequate numbers of competent, well-trained, and certified drinking water and wastewater treatment facility operators in Michigan. In 2009, the program sponsored or co-sponsored 55 formal training events which were attended by almost 5,000 facility operators, supervisors, managers, and local government representatives.

The new fee structure would include an exam fee to be paid by operators. Exams only need to be taken by facility operators once during their career to show proficiency in that area of expertise, unless they allow their certification to expire. The new exam fees range from \$30 to \$70. The new fee structure would also include certification renewal fees. The operator does not need to take an exam for a renewal, but must submit a renewal application and show that they have completed the required continuing education credits in their field. For Drinking Water and Municipal Wastewater operators, the certifications are issued on a 3-year cycle. Industrial Wastewater and Storm Water certifications are issued for 5 years. Thus, the new certification renewal fee of \$95 would be paid by the operator every 3 or 5 years, depending upon the type of facility for which they are being recertified.

#### **FISCAL IMPACT:**

The appropriations for the FY 2011-12 DEQ budget (PA 63 of 2011) assume the revenue generated by the fees established in Senate Bills 447 and 448. The new fees are estimated to raise approximately \$354,000 in revenue for the program. In the current year, the program is funded by \$200,000 GF/GP and funding from the Water Resource Division (WRD) within DEQ. The additional revenue is needed for the program because the \$200,000 GF/GP funding was eliminated in the FY 2011-12 DEQ budget and the WRD funding is no longer available.

Without the statutory authority to collect these fees and the revenues they provide, the DEQ would have a \$354,000 deficit in the FY 2011-12 budget and would have to reduce or eliminate spending in this program.

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