

DEPARTMENT OF ENVIRONMENTAL QUALITY

2009 Montana Legislative Issues
Senate Bill 6
Fact Sheet

Public Water Supply (PWS) Connection Fees

- Public water supply connection fees were established by law in 1991 for the purpose of implementing the provisions of the Public Water Supply, Distribution, and Treatment Act.
- From 7/91 to 6/93 the fees were set at \$2.25 per connection with a \$100 minimum and \$50 for transient non-community systems. From 7/93 until today the fee has remained at \$2.00/\$100/\$50.
- During the first couple of years while the program was gearing up to implement the new federal Safe Drinking Water Act requirements, the higher level fees were not fully utilized and a surplus was developed in the fund.
- Since 1996 numerous new federal regulations have been implemented creating increased workload and therefore increasing the demands on the fees to support the program.
- Statutorily, the fees could be used for all program functions but they were initially used primarily for sanitary surveys, technical assistance, operator training, and a partial match for federal dollars. Over the years, the increased workload and expenses has required the fees be used to support the base regulatory program.
- The federal PWS grant has not been significantly increased for more than 10 years and actually decreased in one of the recent years. Also the state is utilizing the maximum amount available from the State Revolving Fund grant money for program operations.
- Over the years, as program costs increased, expenditures exceeded the annual fee revenue and the surplus in the fund was depleted to cover the difference.
- At this time we expect the fund to go negative in fiscal year 2010.
- The proposed legislation would increase PWS fees to \$3.00/\$150/\$75.00 to keep the program funded through FY 2014.

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EPA Rules* as Mandated by the Safe Drinking Water Act

of
Rules

* Significant rules only - minor rules not included

