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## HOUSE BILL NO. 769

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Health, Welfare and Institutions  
on February 8, 2022)

(Patron Prior to Substitute—Delegate Hodges)

*A BILL to amend and reenact §§ 32.1-164 and 62.1-44.15:72 of the Code of Virginia, relating to Department of Health; onsite sewage treatment system pump-out oversight; certain localities.***Be it enacted by the General Assembly of Virginia:****1. That §§ 32.1-164 and 62.1-44.15:72 of the Code of Virginia are amended and reenacted as follows:****§ 32.1-164. Powers and duties of Board; regulations; fees; onsite soil evaluators; letters in lieu of permits; inspections; civil penalties.**

A. The Board shall have supervision and control over the safe and sanitary collection, conveyance, transportation, treatment, and disposal of sewage by onsite sewage systems and alternative discharging sewage systems, and treatment works as they affect the public health and welfare. The Board shall also have supervision and control over the maintenance, inspection, and reuse of alternative onsite sewage systems as they affect the public health and welfare. In discharging the responsibility to supervise and control the safe and sanitary treatment and disposal of sewage as they affect the public health and welfare, the Board shall exercise due diligence to protect the quality of both surface water and ground water. Upon the final adoption of a general Virginia Pollutant Discharge Elimination permit by the State Water Control Board, the Board of Health shall assume the responsibility for permitting alternative discharging sewage systems as defined in § 32.1-163. All such permits shall comply with the applicable regulations of the State Water Control Board and be registered with the State Water Control Board.

In the exercise of its duty to supervise and control the treatment and disposal of sewage, the Board shall require and the Department shall conduct regular inspections of alternative discharging sewage systems. The Board shall also establish requirements for maintenance contracts for alternative discharging sewage systems. The Board may require, as a condition for issuing a permit to operate an alternative discharging sewage system, that the applicant present an executed maintenance contract. Such contract shall be maintained for the life of any general Virginia Pollutant Discharge Elimination System permit issued by the State Water Control Board.

B. The regulations of the Board shall govern the collection, conveyance, transportation, treatment and disposal of sewage by onsite sewage systems and alternative discharging sewage systems and the maintenance, inspection, and reuse of alternative onsite sewage systems. Such regulations shall be designed to protect the public health and promote the public welfare and may include, without limitation:

1. A requirement that the owner obtain a permit from the Commissioner prior to the construction, installation, modification or operation of a sewerage system or treatment works except in those instances where a permit is required pursuant to Chapter 3.1 (§ 62.1-44.2 et seq.) of Title 62.1.

2. Criteria for the granting or denial of such permits.

3. Standards for the design, construction, installation, modification and operation of sewerage systems and treatment works for permits issued by the Commissioner.

4. Standards governing disposal of sewage on or in soils.

5. Standards specifying the minimum distance between sewerage systems or treatment works and:

a. Public and private wells supplying water for human consumption,

b. Lakes and other impounded waters,

c. Streams and rivers,

d. Shellfish waters,

e. Ground waters,

f. Areas and places of human habitation,

g. Property lines.

6. Standards as to the adequacy of an approved water supply.

7. Standards governing the transportation of sewage.

8. A prohibition against the discharge of untreated sewage onto land or into waters of the Commonwealth.

9. A requirement that such residences, buildings, structures and other places designed for human occupancy as the Board may prescribe be provided with a sewerage system or treatment works.

10. Criteria for determining the demonstrated ability of alternative onsite systems, which are not permitted through the then current sewage handling and disposal regulations, to treat and dispose of sewage as effectively as approved methods.

60 11. Standards for inspections of and requirements for maintenance contracts for alternative  
61 discharging sewage systems.

62 12. Notwithstanding the provisions of subdivision 1 above and Chapter 3.1 of Title 62.1, a  
63 requirement that the owner obtain a permit from the Commissioner prior to the construction, installation,  
64 modification, or operation of an alternative discharging sewage system as defined in § 32.1-163.

65 13. Criteria for granting, denying, and revoking of permits for alternative discharging sewage  
66 systems.

67 14. Procedures for issuing letters recognizing onsite sewage sites in lieu of issuing onsite sewage  
68 system permits.

69 15. Performance requirements for nitrogen discharged from alternative onsite sewage systems that  
70 protect public health and ground and surface water quality.

71 16. Consideration of the impacts of climate change on proposed treatment works based on research  
72 and analysis from the Center for Coastal Resources Management at the Virginia Institute of Marine  
73 Science at The College of William and Mary in Virginia.

74 C. A fee of \$75 shall be charged for filing an application for an onsite sewage system or an  
75 alternative discharging sewage system permit with the Department. Funds received in payment of such  
76 charges shall be transmitted to the Comptroller for deposit. The funds from the fees shall be credited to  
77 a special fund to be appropriated by the General Assembly, as it deems necessary, to the Department for  
78 the purpose of carrying out the provisions of this title. However, \$10 of each fee shall be credited to the  
79 Onsite Sewage Indemnification Fund established pursuant to § 32.1-164.1:01.

80 The Board, in its regulations, shall establish a procedure for the waiver of fees for persons whose  
81 incomes are below the federal poverty guidelines established by the United States Department of Health  
82 and Human Services or when the application is for a pit privy or the repair of a failing onsite sewage  
83 system. If the Department denies the permit for land on which the applicant seeks to construct his  
84 principal place of residence, then such fee shall be refunded to the applicant.

85 From such funds as are appropriated to the Department from the special fund, the Board shall  
86 apportion a share to local or district health departments to be allocated in the same ratios as provided  
87 for the operation of such health departments pursuant to § 32.1-31. Such funds shall be transmitted to  
88 the local or district health departments on a quarterly basis.

89 D. In addition to factors related to the Board's responsibilities for the safe and sanitary treatment and  
90 disposal of sewage as they affect the public health and welfare, the Board shall, in establishing  
91 standards, give due consideration to economic costs of such standards in accordance with the applicable  
92 provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

93 E. Further a fee of \$75 shall be charged for such installation and monitoring inspections of  
94 alternative discharging sewage systems as may be required by the Board. The funds received in payment  
95 of such fees shall be credited to a special fund to be appropriated by the General Assembly, as it deems  
96 necessary, to the Department for the purpose of carrying out the provisions of this section. However,  
97 \$10 of each fee shall be credited to the Onsite Sewage Indemnification Fund established pursuant to  
98 § 32.1-164.1:01.

99 The Board, in its regulations, shall establish a procedure for the waiver of fees for persons whose  
100 incomes are below the federal poverty guidelines established by the United States Department of Health  
101 and Human Services.

102 F. Any owner who violates any provision of this section or any regulation of the Board of Health or  
103 the State Water Control Board relating to alternative discharging sewage systems or who fails to comply  
104 with any order of the Board of Health or any special final order of the State Water Control Board shall  
105 be subject to the penalties provided in §§ 32.1-27 and 62.1-44.32.

106 In the event that a county, city, or town, or its agent, is the owner, the county, city, or town, or its  
107 agent may initiate a civil action against any user or users of an alternative discharging sewage system to  
108 recover that portion of any civil penalty imposed against the owner which directly resulted from  
109 violations by the user or users of any applicable federal, state, or local laws, regulations, or ordinances.

110 G. The Board shall establish and implement procedures for issuance of letters recognizing the  
111 appropriateness of onsite sewage site conditions in lieu of issuing onsite sewage system permits. The  
112 Board may require that a survey plat be included with an application for such letter. Such letters shall  
113 state, in language determined by the Office of the Attorney General and approved by the Board, the  
114 appropriateness of the soil for an onsite sewage system; no system design shall be required for issuance  
115 of such letter. The letter may be recorded in the land records of the clerk of the circuit court in the  
116 jurisdiction where all or part of the site or proposed site of the onsite sewage system is to be located so  
117 as to be a binding notice to the public, including subsequent purchases of the land in question. Upon the  
118 sale or transfer of the land which is the subject of any letter, the letter shall be transferred with the title  
119 to the property. A permit shall be issued on the basis of such letter unless, from the date of the letter's  
120 issuance, there has been a substantial, intervening change in the soil or site conditions where the onsite  
121 sewage system is to be located. The Board, Commissioner, and the Department shall accept evaluations

from licensed onsite soil evaluators for the issuance of such letters, if they are produced in accordance with the Board's established procedures for issuance of letters. The Department shall issue such letters within 20 working days of the application filing date when evaluations produced by licensed onsite soil evaluators are submitted as supporting documentation. The Department shall not be required to do a field check of the evaluation prior to issuing such a letter or a permit based on such letter; however, the Department may conduct such field analyses as deemed necessary to protect the integrity of the Commonwealth's environment. Applicants for such letters in lieu of onsite sewage system permits shall pay the fee established by the Board for the letters' issuance and, upon application for an onsite sewage system permit, shall pay the permit application fee.

H. The Board shall establish a program for the operation and maintenance of alternative onsite systems. The program shall require:

1. The owner of an alternative onsite sewage system, as defined in § 32.1-163, to have that system operated by a licensed operator, as defined in § 32.1-163, and visited by the operator as specified in the operation permit;

2. The licensed operator to provide a report on the results of the site visit utilizing the web-based system required by this subsection. A fee of \$1 shall be paid by the licensed operator at the time the report is filed. Such fees shall be credited to the Onsite Operation and Maintenance Fund established pursuant to § 32.1-164.8;

3. A statewide web-based reporting system to track the operation, monitoring, and maintenance requirements of each system, including its components. The system shall have the capability for pre-notification of operation, maintenance, or monitoring to the operator or owner. Licensed operators shall be required to enter their reports onto the system. The Department of Health shall utilize the system to provide for compliance monitoring of operation and maintenance requirements throughout the state. The Commissioner shall consider readily available commercial systems currently utilized within the Commonwealth; and

4. Any additional requirements deemed necessary by the Board.

I. The Board shall promulgate regulations governing the requirements for maintaining alternative onsite sewage systems.

J. The Board shall establish a uniform schedule of civil penalties for violations of (i) regulations promulgated pursuant to subsection B and (ii) *onsite treatment system pump-out requirements promulgated pursuant to the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.) in localities in which compliance with such onsite treatment system pump-out requirements is managed and enforced by the Department* that are not remedied within 30 days after service of notice from the Department. Civil penalties collected pursuant to this chapter shall be credited to the Environmental Health Education and Training Fund established pursuant to § 32.1-248.3.

This schedule of civil penalties shall be uniform for each type of specified violation, and the penalty for any one violation shall be not more than \$100 for the initial violation and not more than \$150 for each additional violation. Each day during which the violation is found to have existed shall constitute a separate offense. However, specified violations arising from the same operative set of facts shall not be charged more than once in any 10-day period, and a series of specified violations arising from the same operative set of facts shall not result in civil penalties exceeding a total of \$3,000. Penalties shall not apply to unoccupied structures which do not contribute to the pollution of public or private water supplies or the contraction or spread of infectious, contagious, or dangerous diseases. The Department may pursue other remedies as provided by law; however, designation of a particular violation for a civil penalty pursuant to this section shall be in lieu of criminal penalties, except for any violation that contributes to or is likely to contribute to the pollution of public or private water supplies or the contraction or spread of infectious, contagious, or dangerous diseases.

The Department may issue a civil summons ticket as provided by law for a scheduled violation. Any person summoned or issued a ticket for a scheduled violation may make an appearance in person or in writing by mail to the Department prior to the date fixed for trial in court. Any person so appearing may enter a waiver of trial, admit liability, and pay the civil penalty established for the offense charged.

If a person charged with a scheduled violation does not elect to enter a waiver of trial and admit liability, the violation shall be tried in the general district court with jurisdiction in the same manner and with the same right of appeal as provided for by law. In any trial for a scheduled violation, the Department shall have the burden of proving by a preponderance of the evidence the liability of the alleged violator. An admission of liability or finding of liability under this section shall not be deemed an admission at a criminal proceeding.

This section shall not be interpreted to allow the imposition of civil penalties for activities related to land development.

K. The Department shall establish procedures for requiring a survey plat as part of an application for a permit or letter for any onsite sewage or alternative discharging sewage system, and for granting

183 waivers for such requirements. In all cases, it shall be the landowner's responsibility to ensure that the  
184 system is properly located as permitted.

185 *L. Effective July 1, 2023, requirements promulgated under the Chesapeake Bay Preservation Act*  
186 *(§ 62.1-44.15:67 et seq.) directly related to compliance with onsite sewage treatment system pump-outs*  
187 *shall be managed and enforced by the Department in Accomack, Essex, Gloucester, King and Queen,*  
188 *King William, Lancaster, Mathews, Middlesex, Northampton, Northumberland, Richmond, and*  
189 *Westmoreland Counties, and the incorporated towns within those counties. Licensed operators*  
190 *conducting onsite sewage treatment system pump-outs pursuant to requirements promulgated under the*  
191 *Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.) in localities managed and enforced by the*  
192 *Department shall provide a report on the results of the site visit using a web-based reporting system*  
193 *developed by the Department. Any person who violates the onsite treatment system pump-out*  
194 *requirements promulgated pursuant to the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.) in*  
195 *a locality in which compliance with such onsite treatment system pump-out requirements is managed*  
196 *and enforced by the Department is guilty of a Class 3 misdemeanor.*

197 **§ 62.1-44.15:72. Board to develop criteria.**

198 A. In order to implement the provisions of this article and to assist counties, cities, and towns in  
199 regulating the use and development of land and in protecting the quality of state waters, the Board shall  
200 promulgate regulations that establish criteria for use by local governments to determine the ecological  
201 and geographic extent of Chesapeake Bay Preservation Areas. The Board shall also promulgate  
202 regulations that establish criteria for use by local governments in granting, denying, or modifying  
203 requests to rezone, subdivide, or use and develop land in these areas.

204 B. In developing and amending the criteria, the Board shall consider all factors relevant to the  
205 protection of water quality from significant degradation as a result of the use and development of land.  
206 The criteria shall incorporate measures such as performance standards, best management practices, and  
207 various planning and zoning concepts to protect the quality of state waters while allowing use and  
208 development of land consistent with the provisions of this chapter. The criteria adopted by the Board,  
209 operating in conjunction with other state water quality programs, shall encourage and promote (i)  
210 protection of existing high quality state waters and restoration of all other state waters to a condition or  
211 quality that will permit all reasonable public uses and will support the propagation and growth of all  
212 aquatic life, including game fish, that might reasonably be expected to inhabit them; (ii) safeguarding of  
213 the clean waters of the Commonwealth from pollution; (iii) prevention of any increase in pollution; (iv)  
214 reduction of existing pollution; (v) preservation of mature trees or planting of trees as a water quality  
215 protection tool and as a means of providing other natural resource benefits; (vi) coastal resilience and  
216 adaptation to sea-level rise and climate change; and (vii) promotion of water resource conservation in  
217 order to provide for the health, safety, and welfare of the present and future citizens of the  
218 Commonwealth.

219 C. Prior to the development or amendment of criteria, the Board shall give due consideration to,  
220 among other things, the economic and social costs and benefits that can reasonably be expected to  
221 obtain as a result of the adoption or amendment of the criteria.

222 D. In developing such criteria the Board may consult with and obtain the comments of any federal,  
223 state, regional, or local agency that has jurisdiction by law or special expertise with respect to the use  
224 and development of land or the protection of water. The Board shall give due consideration to the  
225 comments submitted by such federal, state, regional, or local agencies.

226 E. In developing such criteria, the Board shall provide that any locality in a Chesapeake Bay  
227 Preservation Area that allows the owner of an ~~on-site~~ onsite sewage treatment system not requiring a  
228 Virginia Pollutant Discharge Elimination System permit to submit documentation in lieu of proof of  
229 septic tank pump-out shall require such owner to have such documentation certified by an operator or  
230 ~~on-site~~ onsite soil evaluator licensed or certified under Chapter 23 (§ 54.1-2300 et seq.) of Title 54.1 as  
231 being qualified to operate, maintain, or design ~~on-site~~ onsite sewage systems.

232 F. In developing such criteria, the Board shall not require the designation of a Resource Protection  
233 Area (RPA) as defined according to the criteria developed by the Board, adjacent to a daylighted stream.  
234 However, a locality that elects not to designate an RPA adjacent to a daylighted stream shall use a water  
235 quality impact assessment to ensure that proposed development on properties adjacent to the daylighted  
236 stream does not result in the degradation of the stream. The water quality impact assessment shall (i) be  
237 consistent with the Board's criteria for water quality assessments in RPAs, (ii) identify the impacts of the  
238 proposed development on water quality, and (iii) determine specific measures for the mitigation of those  
239 impacts. The objective of this assessment is to ensure that practices on properties adjacent to daylighted  
240 streams are effective in retarding runoff, preventing erosion, and filtering nonpoint source pollution. The  
241 specific content for the water quality impact assessment shall be established and implemented by any  
242 locality that chooses not to designate an RPA adjacent to a daylighted stream. Nothing in this subsection  
243 shall limit a locality's authority to include a daylighted stream within the extent of an RPA.

244 G. Effective July 1, 2014, requirements promulgated under this article directly related to compliance

with the erosion and sediment control and stormwater management provisions of this chapter and regulated under the authority of those provisions shall cease to have effect.

*H. Effective July 1, 2023, requirements promulgated under this article directly related to compliance with onsite sewage system pump-outs shall be managed and enforced by the Department of Health in Accomack, Essex, Gloucester, King and Queen, King William, Lancaster, Mathews, Middlesex, Northampton, Northumberland, Richmond, and Westmoreland Counties, and the incorporated towns within those counties.*

**2. That the Department of Health (the Department) shall provide outreach and education to homeowners to ensure compliance with onsite sewage treatment system pump-out requirements adopted pursuant to the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq. of the Code of Virginia). The Department shall provide to the Chairmen of the House Committee on Health, Welfare and Institutions and the Senate Committee on Education and Health an interim report by December 1, 2024, and a final report by December 1, 2025, on compliance with such onsite sewage treatment system pump-out requirements in the localities specified in subsection L of § 32.1-164 of the Code of Virginia, as created by this act, and subsection H of § 62.1-44.15:72 of the Code of Virginia, as created by this act, and the incorporated towns within such localities. Such reports shall also include recommendations for improvement improve compliance with onsite sewage treatment system pump-out requirements adopted pursuant to the Chesapeake Bay Preservation Act.**