

Drinking Water Program Fees



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

Welcome & Introduction



Fees History



Program Funding Overview



Resource Evaluation



Funding for Public Water Systems



The Future of Fees

DW Program Funding Sources

- Drinking Water Fees
 - Paid by all public water systems
- Public Water System Supervision (PWSS) Grant
 - Federal funding through EPA to states
- Drinking Water State Revolving Fund (DWSRF) Grant
 - Federal funding through EPA to states
 - Primarily used to fund SRF revolving loan fund
 - States are authorized to use a percentage to run their drinking water primacy programs
 - SRF administration
 - SDWA primacy administration

Drinking Water Program Funding SFY26



Fees: \$1,940,504

Assumes all fees are paid



PWSS Grant: \$1,397,000 (SFY26)

Additional \$156,000 for emerging contaminants



Drinking Water State Revolving Fund Base Grant Set-Asides (17% of FFY25 \$10,906,000)

Program Management (10%): \$1,090,600
Capacity Development (5%): \$545,300*
Technical Assistance (2%): \$218,120



Total program funding: \$5,191,524

DW program fees history

IDAHO ADMINISTRATIVE CODE - 1996
Department of Health and Welfare, DEQ

IDAPA 16.01.08
Public Drinking Water Systems

02. Fee Schedule. (10-1-93)

a. Community and Nontransient noncommunity public drinking water systems shall pay an annual fee according to the following fee schedule:

Number of Connections	Fee
1 to 20	\$100.00
21 to 184	\$5.00 per connection, not to exceed a total of \$735 per system
185 to 3,663	\$4.00 per connection, not to exceed a total of \$10,988 per system
3,664 or more	\$3.00 per connection

(3-1-96)T

b. The annual fee for transient public drinking water systems is twenty-five dollars (\$25). (10-1-93)

c. New public drinking water systems formed after October 1 will not pay a fee until the following October. (10-1-93)

- Adopted 1993
- Tier based
- No changes to cost
- or structure
- Category caps limits revenue

DW program fees history — Buying power analysis

**Adopted 1993 | Target:
~\$1M/yr**

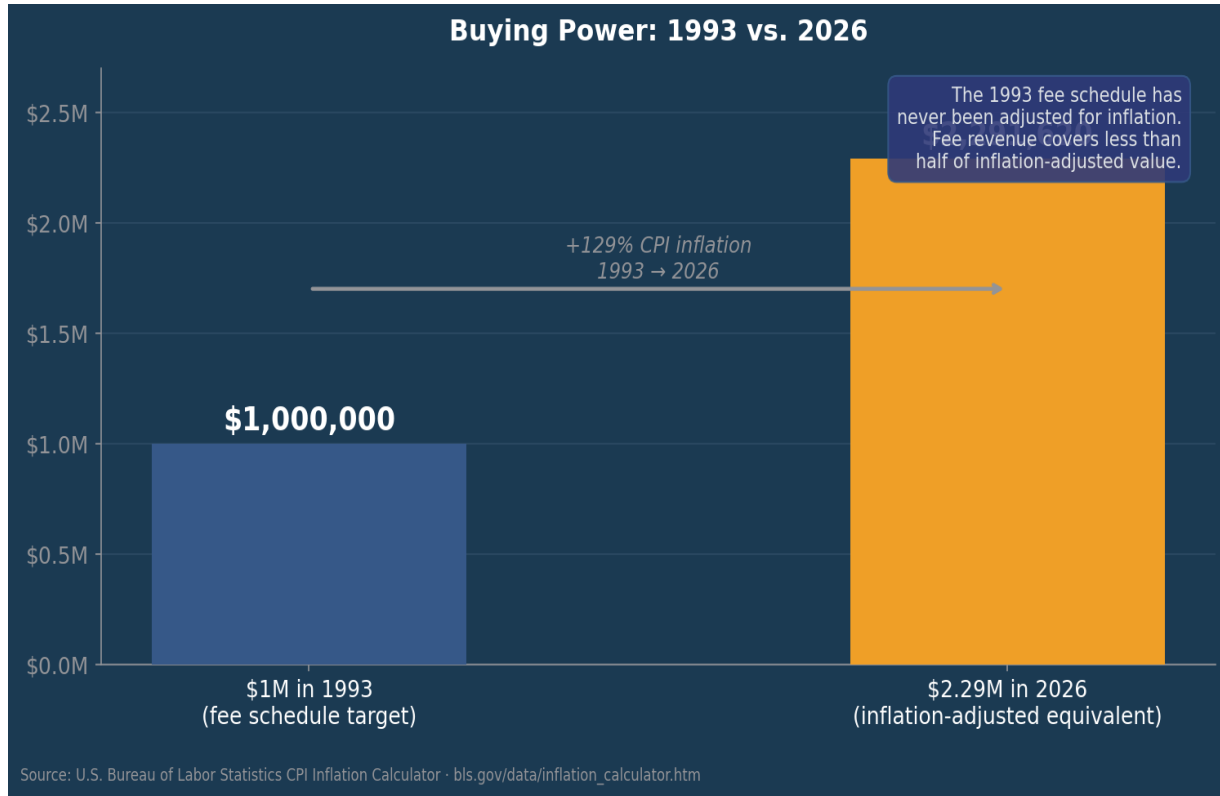
**Assumes all invoices are paid*

No changes to cost or structure
since adoption

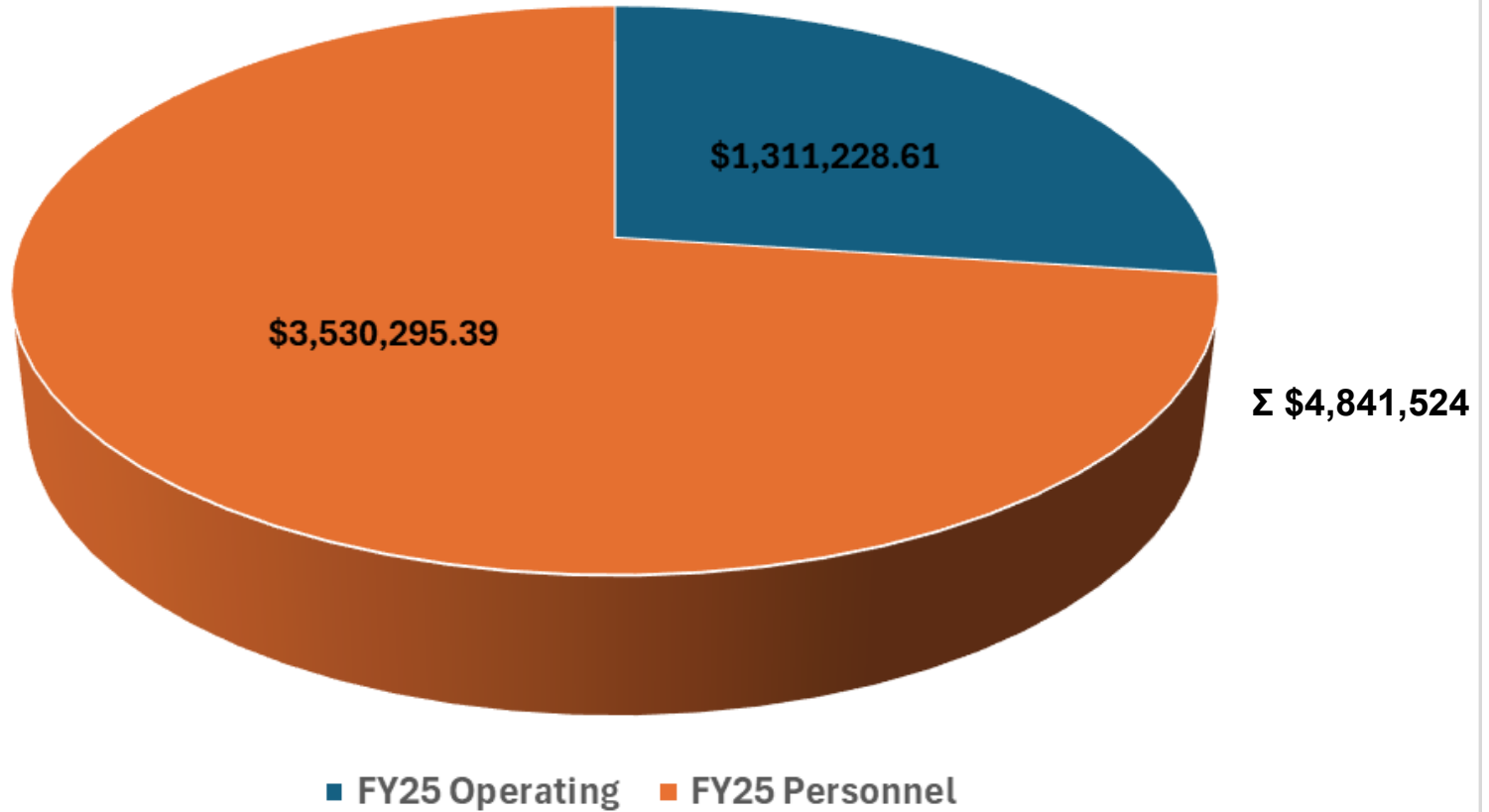
CPI inflation 1993–2026: **+129%**

\$1M in 1993 = **\$2.29M today**

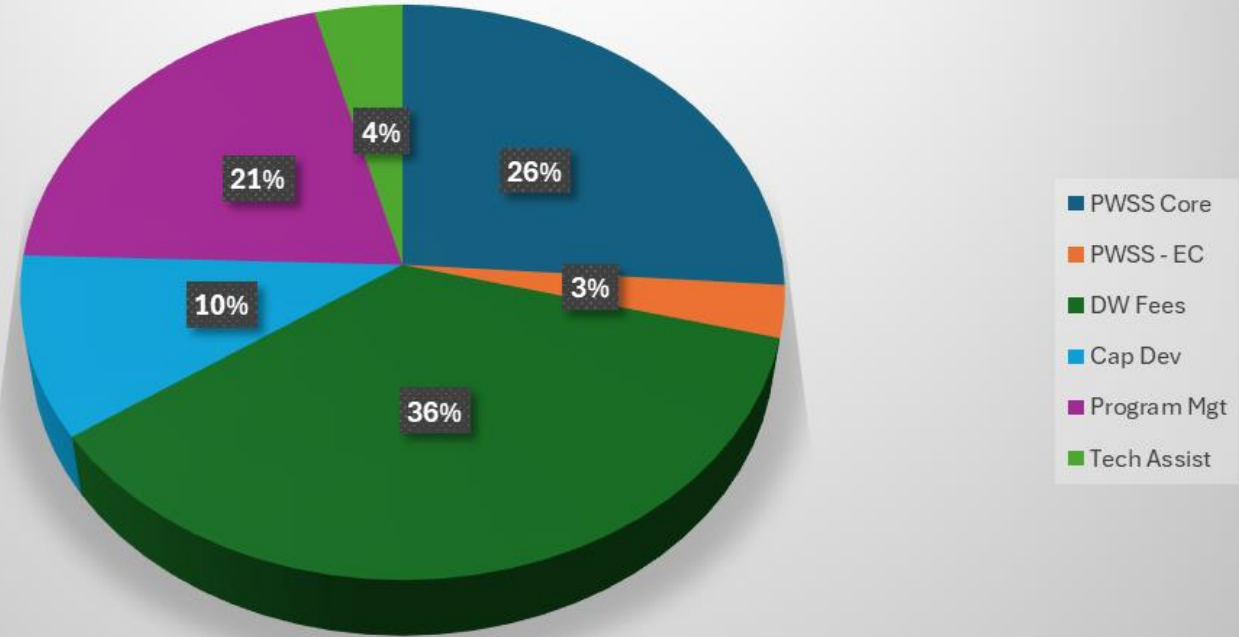
Current fee revenue (~\$1.94M) is
only **85%** of inflation-adjusted
1993 value



SFY25 Operating & Personnel Expenditures

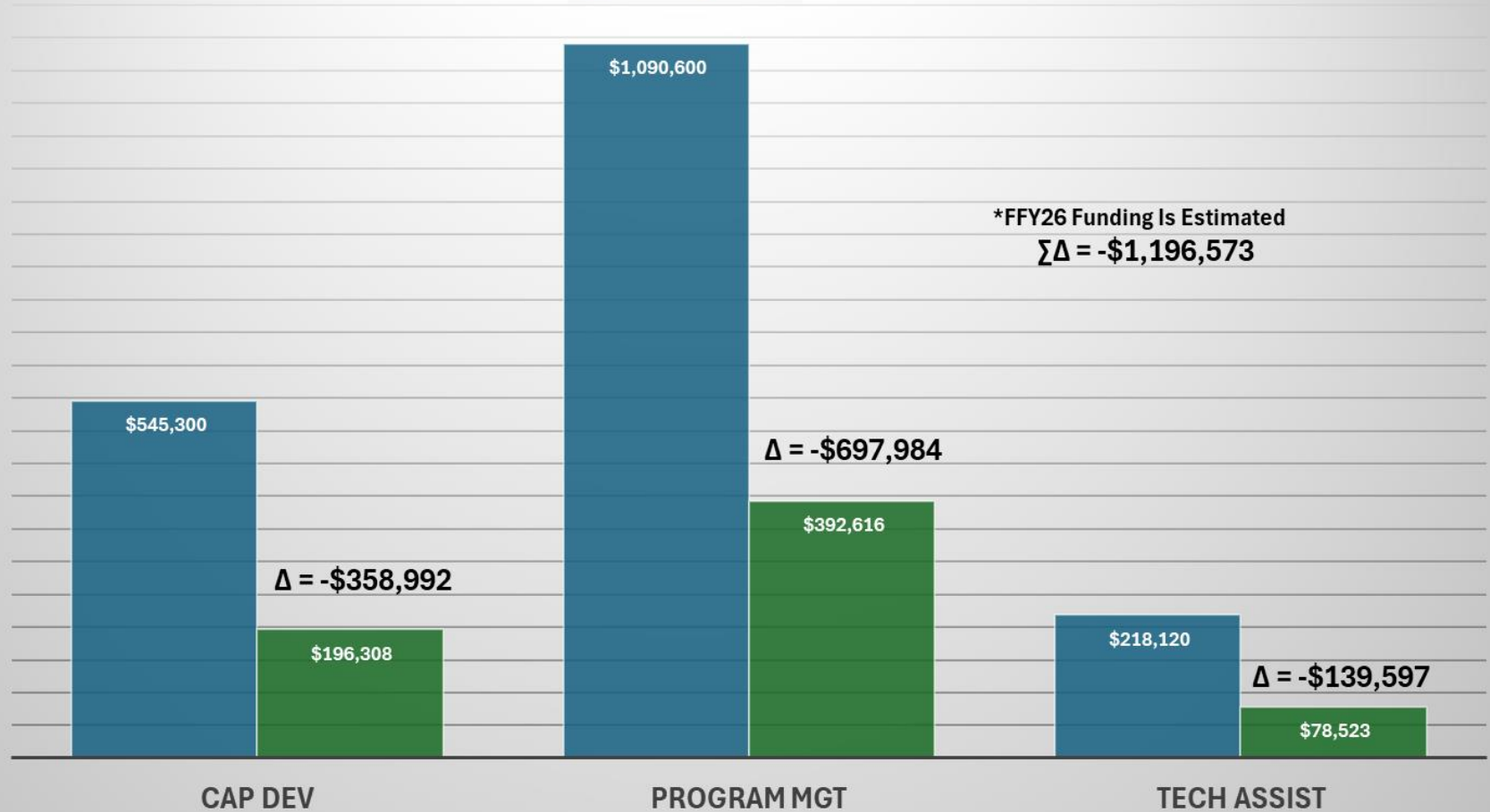


FFY25 Drinking Water Bureau Base Funding - Percentage by Funding Source



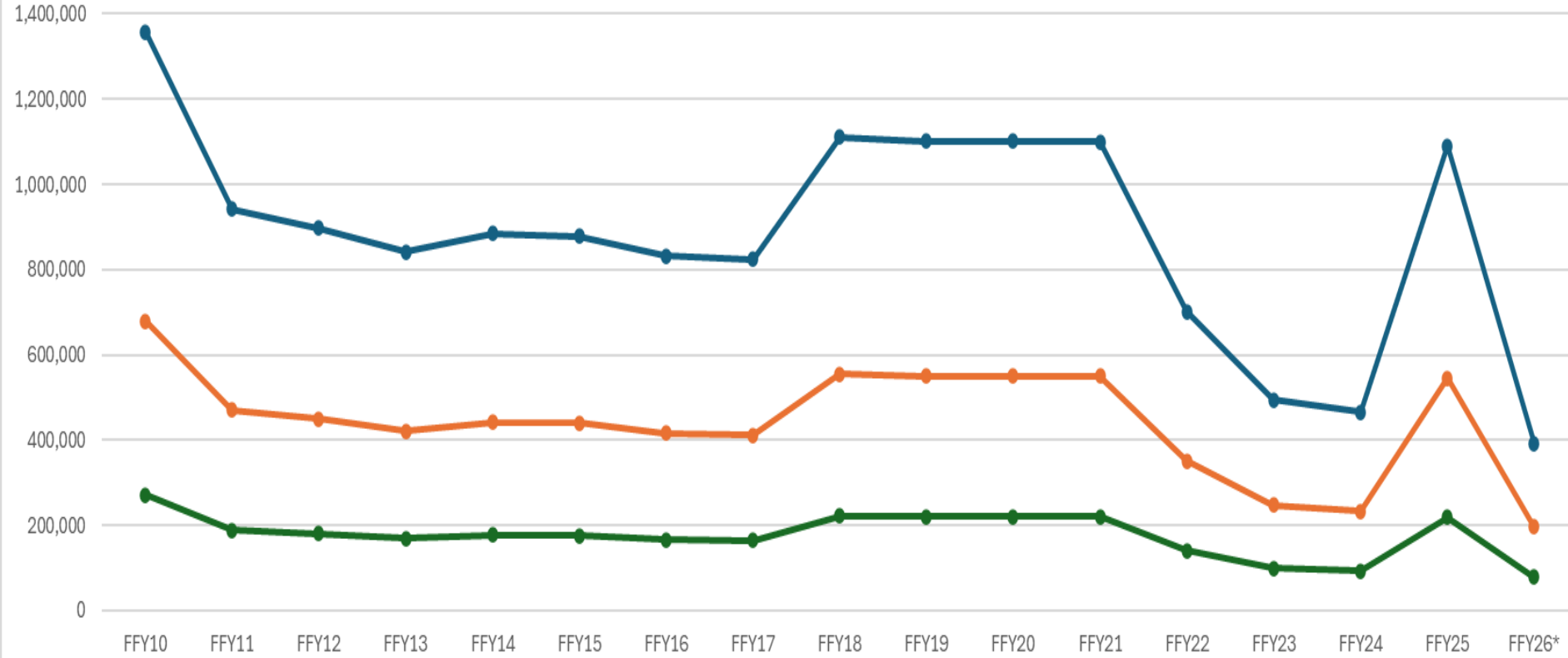
FFY25 DWSRF Base Grant Set-Aside Funding vs. FFY26 64% Decrease Projection

■ FFY25 ■ FFY26



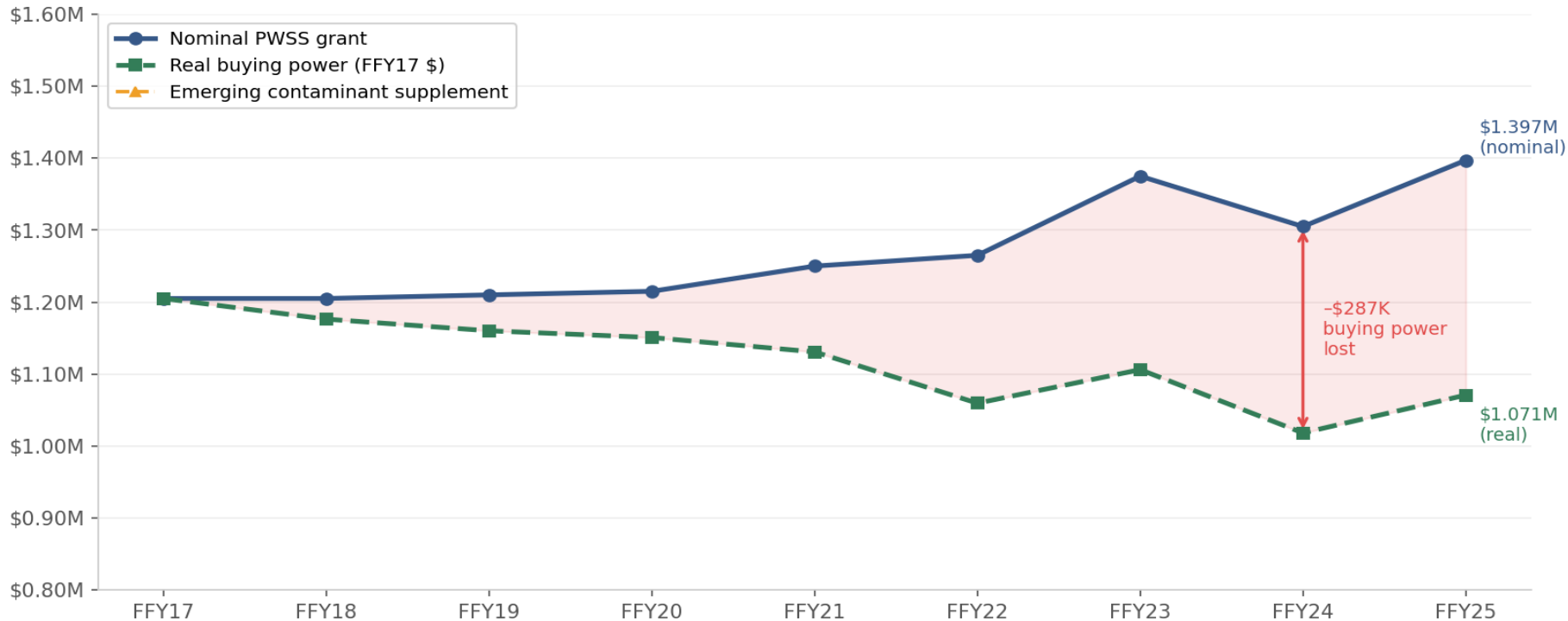
Base SRF Set-Aside Allotments

10% PM 5% CD 2% TA



Annual PWSS Grant — Nominal vs. Real Buying Power

Annual PWSS Grant Award Amount



FFY25 nominal: \$1.397M | FFY25 real (FFY17 \$): \$1.071M | Buying power change: -11.1%
Source: CPI-U annual averages, U.S. Bureau of Labor Statistics

Current Fee Revenue Percentages

Fee Tier Category (# is connections)	# of Systems in Fee Tier Category	SFY26 Invoiced Fees	% of Fee Invoice Total
Transient	999	\$24,975	1.3%
0-20	341	\$34,100	1.8%
21-184	476	\$153,375	7.9%
185-3663	169	\$583,984	30.1%
3664+	22	\$1,144,074	58.9%

Drinking Water Program Funding SFY27



Fees: \$1,940,504

*Assumes all fees are paid



PWSS Grant: \$1,397,000 (SFY27)

Additional \$156,000 for emerging contaminants



Drinking Water State Revolving Fund
Set-Asides

Program Management (10%): \$392,616
Capacity Development (5%): \$196,308*
Technical Assistance (2%): \$78,523



Total program funding: \$4,160,951 (\$1.202M less than SFY26)

DW Program Review

Year	FTE	Water Systems	PWS Population	Regulated Contaminants	Service connections
1996	Unknown	2079	~870,000	84	327,073
2013	40	1964	~1.03M	84	
2025	42-44	2004	~1.42M	90	586,925

- 4 SDWA Amendments and 16 regulatory revisions/new rules since 1994
- SDWA 6-year review cycle

Resource Evaluation

- Cadmus - EPA contractor
- Used 2019 national model to evaluate resource needs from 15 categories
- “Offer a comprehensive view of Idaho’s drinking water program workload and an accurate estimate of staffing and funding needs from 2024 through 2033.”
- “Support future planning to ensure Idaho’s drinking water program remains effective and adequately resourced.”
- Idaho: “... understaffed and underfunded.”

Drinking Water Program Funding Threats



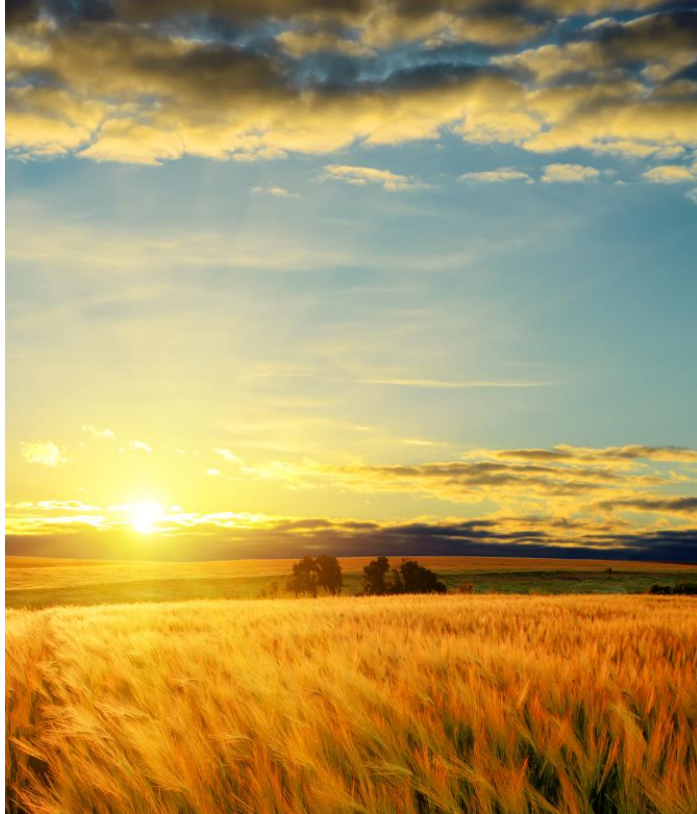
Federal Budgets (64% of DW funding of SFY26 Funding)

- Elimination or reduction of
 - PWSS categorical grant
 - DWSRF capitalization grant
 - Federal FY27 proposal
 - Similar proposal in FFY26
 - reduce or eliminate PWSS and SRF grants

Other Threats

- Congressionally directed spending
- Inflation, and other cost increases

Solutions



Return SDWA primacy to EPA

- No DEQ program, no local support/contact
- Would necessitate engineering fees to maintain those services (as in Wyoming)

Seek general funds from the legislature

- Unlikely given current State shortfalls
- Mandated agency give-back and reductions

Increase Fees

Federal Funding Replacement Scenarios

Funds to be Replaced	Budget Deficit	% Fee Increase to Break Even
SRF Set-Asides & PWSS Grant	\$3.26M	175%
SRF Set-Asides - All	\$1.87M	100%
SRF Set-Asides - 64% Reduction	\$1.2M	75%

Idaho Program Efficiencies

- Automation of processes
- Auto-"dialer" notices
- Electronic Sanitary Survey
- Electronic Review of incoming documents
- Electronic Monitoring Waiver Application and review
- Compliance Monitoring Data Portal

Future Program Considerations

- Current
 - Not seeking new staff
 - Potential revision to the PFAS rule
 - New regulations for perchlorate - 1.2.2026
 - LCRI, PFAS, & CCR revisions & compliance
- Future
 - Revision to Microbial and Disinfection Byproduct rule - pending
 - Finalization of the Water System Restructuring Assessment Rule – pending
 - Fluoride toxicity assessment (possible MCL revision)
 - SDWA requires EPA to review rules every 6 years (most recent review starts 2026)
 - New compliance database = complete revamp of web-based tools

What do I get for my fees

- **The following services and assistance are provided because of state primacy:**
- Without the funding, the Environmental Protection Agency would assume regulatory oversight of drinking water systems.
- Working with systems to ensure compliance with minimum federal requirements
- Issuing monitoring waivers when appropriate (monitoring waivers save a water system up to \$700–\$900 per year per source)
- Conducting sanitary surveys and on-site visits to prevent and detect public health problems
- Reviewing water system engineering plans and specifications
- Conducting training sessions for system operators
- Holding public information meetings
- Loaning specialized monitoring equipment
- Providing informational updates on drinking water-related topics of interest
- Providing workshops to assist community water systems in a variety of areas
- Offering assistance in preparing federally required public notifications when violations occur
- Providing emergency response to systems requesting assistance, for example DEQ has 2 bottle-filler, 1000 gallon water tanks that can be deployed in the event a water system no longer can provide safe, clean drinking water in sufficient supply to its residents.
- Development and maintenance of the PWS Switchboard

State comparison

State	# Systems	PWSS Grant	Fee Complexity	Late Fees?
Alabama	~571	\$1.012M	Low	No
Arizona	~1,550	\$1.67M	Moderate	Yes
Colorado	~2,000	\$1.752M	Very High	No
Idaho	~2,000	\$1.397M	Low	No
Iowa	~1,838	\$1.47M	High	No
Montana	~2,200	\$1.539M	Moderate	Yes
Nevada	~580	\$952K	Very High	No
Oregon	~2,500	\$1.765M	High	Yes
Texas	~7,000	\$6.664M	Low	No
Washington	~4,100	\$2.798M	Moderate	Yes

Future revision to Fee rule

Number of Connections	Current Fee
1 to 20	\$100
21 to 184	\$5.00 per connection, not to exceed a total of \$735 per system
185 to 3,663	\$4.00 per connection, not to exceed a total of \$10,988 per system
3,664 or more	\$3.00 per connection

Number of Connections	Potential Future Fee – \$X?
1 to 20	\$X? – remain as a flat rate
21 to 184	\$X? per connection
185 to 3,663	\$X? per connection, minimum fee \$?
3,664 or more	\$X? per connection, minimum fee \$?

- Transient flat rate?
- Same tiered approach?
- Same categories?
- Remove categorical caps?
- #'s make the program solvent without SRF

Additional Possible revisions to rule

- Require/prefer electronic delivery and payment, unless prohibited? ACH payments are generally free.
- Electronic delivery & payment required for eligibility for quarterly?
- Late fees for more than 90 days delinquent?
- Collections if more than 180 days delinquent in accordance with Idaho statute §67-2358?
- Other areas to improve clarity?

Thank you.

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