

**Department of Planning and Budget  
2003 Fiscal Impact Statement**

**1. Bill Number** HB1591

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

**2. Patron**        Louderback

**3. Committee**    Health, Welfare and Institutions

**4. Title**         Onsite sewage evaluations and septic system permits.

**5. Summary/Purpose:**

This bill states that when the Virginia Department of Health (VDH) deems it necessary to conduct a field analysis of a sewage system evaluation and design certified by an authorized on-site soil evaluator (AOSE) or a professional engineer working with an AOSE (AOSE/PE), the field analysis shall be conducted before VDH issues the approval of such system. If VDH conducts the field analysis after the initiation of construction and finds the approved system evaluation or design is out of compliance with the Board's regulations, the permit shall not be revoked. Under the bill's provisions, if a system receives a negative field analysis and fails within 3 years, VDH will not be liable for any payments from the *Onsite Sewage Indemnification Fund*.

**6. No Fiscal Impact** (See Item 8. for AOSE/field analysis assumption)

**7. Budget amendment necessary:** No

**8. Fiscal implications:**

The *Code of Virginia* (§32.1 -163.5) authorizes the use of AOSE evaluations and designs, certified to comply with the Board or Health's regulations for onsite sewage systems, to obtain necessary permit, letter or subdivision approval from VDH. The *Code* section also states that VDH is not required to perform a field check of those evaluations prior to issuing a permit, letter or subdivision approval. That section further states that VDH may perform field checks of the AOSE evaluations as necessary to protect the public health and the integrity of the Commonwealth's environment, but is not required to perform such checks prior to issuing permits or approval. If VDH does not approve or deny an application that has been certified by an AOSE within specific time limits (15 days for an individual permit, 60 days for a subdivision), that application is deemed approved. The referenced section of the *Code* was enacted in 1999 to address delays in the permitting and approval process (backlogs) and pursue a public/private partnership to meet permit demand as an alternative to increasing VDH staff and appropriations.

Current VDH policy requires that local health departments perform a minimum 10% review of AOSE/PE work. This percentage of review can be accomplished before VDH issues its approvals within the law's mandated time frames. If future public health/environmental

concerns were to require VDH reviews of more than 10% of AOSE/PE work, the bill's requirement that all reviews be conducted prior to issuing and approval could not be met from existing VDH environmental health staff/resources.

**9. Specific agency or political subdivisions affected:** Virginia Department of Health

**10. Technical amendment necessary:** No

**11. Other comments:** None

**Date:** 1/13/02/laf

**Document:** G:\Fis\2003\Hb1591.Doc

cc: Secretary of Health and Human Resources