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## **HOUSE BILL NO. 888**

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance on February 27, 2018)

(Patron Prior to Substitute—Delegate Orrock)

A BILL to direct the Department of Health to take steps to eliminate evaluation and design services for onsite sewage systems and private wells provided by the Department.

## Be it enacted by the General Assembly of Virginia:

- 1. § 1. The Department of Health (Department) shall take steps to eliminate evaluation and design services provided by the Department for onsite sewage systems and private wells. In taking such steps, the Department shall:
- 1. Beginning July 1, 2018, accept private evaluations and designs for private wells, in compliance with the State Board of Health Regulations for construction of private wells, designed and certified by a certified master water well system provider pursuant to § 54.1-1129.1 of the Code of Virginia;
- 2. Beginning July 1, 2018, cease providing onsite sewage system evaluations and design services that are not associated with a building permit or the repair of a failing sewage system. Hardship exceptions shall not apply to these services;
- 3. Beginning July 1, 2018, cease providing new construction evaluation and design services for an application that is not for a principal place of residence. Hardship exceptions shall not apply to these services;
- 4. By July 1, 2019, establish guidelines to maintain the Department as a provider of last resort for a property owner who demonstrates a specific hardship in obtaining private sector evaluation and design services associated with a building permit or the repair of a failing sewage system that is for a principal place of residence. In developing such guidelines, the Department shall solicit and consider input from stakeholders. The Department's guidelines shall include considerations for hardships based on (i) the availability of properly licensed service providers actively working within a locality or region, (ii) the complaint history of private sector providers, and (iii) the cost of private sector services. The Department shall post its proposed guidelines on a website maintained by the Department by November
- 5. Beginning July 1, 2019, require an applicant for an onsite sewage system or private well construction permit who desires the Department to provide evaluation and design services associated with a building permit or the repair of a failing sewage system that is for a principal place of residence to petition the Department to provide such evaluation and design services; and
- 6. Beginning July 1, 2019, (i) require means testing of applicants who petition the Department for evaluation and design services for onsite sewage systems and private wells and who are unable to demonstrate a hardship and (ii) provide evaluation and design services only to such applicants whose household income does not exceed 400 percent of the federal poverty guidelines established by the U.S. Department of Health and Human Services. The Department shall reduce such income threshold to 300 percent beginning July 1, 2020, 200 percent beginning July 1, 2021, and 100 percent beginning July 1, 2022. Beginning July 1, 2023, the Department shall provide design and evaluation services only to an applicant who demonstrates a hardship in accordance with guidelines developed by the Department.
- § 2. The Department shall coordinate with the Department of Professional and Occupational Regulation to establish any necessary agreements or procedures to ensure that potential violations of laws or regulations regarding onsite sewage system and private well evaluation and design are referred to the appropriate agency or board for review.