

20108363D

HOUSE BILL NO. 644**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the Senate Committee on Agriculture, Conservation and Natural Resources
on February 18, 2020)

(Patron Prior to Substitute—Delegate Hurst)

A BILL to amend and reenact § 62.1-44.15, as it is currently effective and as it shall become effective, of the Code of Virginia, relating to pipeline construction projects; State Water Control Law violations; cumulative effect; civil penalties.

Be it enacted by the General Assembly of Virginia:

1. That § 62.1-44.15, as it is currently effective and as it shall become effective, of the Code of Virginia is amended and reenacted as follows:

§ 62.1-44.15. (For expiration date, see Acts 2016, cc. 68 and 758, as amended by Acts 2017, c. 345) Powers and duties; civil penalties.

It shall be the duty of the Board and it shall have the authority:

(1) [Repealed.]

(2) To study and investigate all problems concerned with the quality of state waters and to make reports and recommendations.

(2a) To study and investigate methods, procedures, devices, appliances, and technologies that could assist in water conservation or water consumption reduction.

(2b) To coordinate its efforts toward water conservation with other persons or groups, within or without the Commonwealth.

(2c) To make reports concerning, and formulate recommendations based upon, any such water conservation studies to ensure that present and future water needs of the citizens of the Commonwealth are met.

(3a) To establish such standards of quality and policies for any state waters consistent with the general policy set forth in this chapter, and to modify, amend or cancel any such standards or policies established and to take all appropriate steps to prevent quality alteration contrary to the public interest or to standards or policies thus established, except that a description of provisions of any proposed standard or policy adopted by regulation which are more restrictive than applicable federal requirements, together with the reason why the more restrictive provisions are needed, shall be provided to the standing committee of each house of the General Assembly to which matters relating to the content of the standard or policy are most properly referable. The Board shall, from time to time, but at least once every three years, hold public hearings pursuant to § 2.2-4007.01 but, upon the request of an affected person or upon its own motion, hold hearings pursuant to § 2.2-4009, for the purpose of reviewing the standards of quality, and, as appropriate, adopting, modifying, or canceling such standards. Whenever the Board considers the adoption, modification, amendment or cancellation of any standard, it shall give due consideration to, among other factors, the economic and social costs and benefits which can reasonably be expected to obtain as a consequence of the standards as adopted, modified, amended or cancelled. The Board shall also give due consideration to the public health standards issued by the Virginia Department of Health with respect to issues of public health policy and protection. If the Board does not follow the public health standards of the Virginia Department of Health, the Board's reason for any deviation shall be made in writing and published for any and all concerned parties.

(3b) Except as provided in subdivision (3a), such standards and policies are to be adopted or modified, amended or cancelled in the manner provided by the Administrative Process Act (§ 2.2-4000 et seq.).

(4) To conduct or have conducted scientific experiments, investigations, studies, and research to discover methods for maintaining water quality consistent with the purposes of this chapter. To this end the Board may cooperate with any public or private agency in the conduct of such experiments, investigations and research and may receive in behalf of the Commonwealth any moneys that any such agency may contribute as its share of the cost under any such cooperative agreement. Such moneys shall be used only for the purposes for which they are contributed and any balance remaining after the conclusion of the experiments, investigations, studies, and research, shall be returned to the contributors.

(5) To issue, revoke or amend certificates under prescribed conditions for: (a) the discharge of sewage, industrial wastes and other wastes into or adjacent to state waters; (b) the alteration otherwise of the physical, chemical or biological properties of state waters; (c) excavation in a wetland; or (d) on and after October 1, 2001, the conduct of the following activities in a wetland: (i) new activities to cause draining that significantly alters or degrades existing wetland acreage or functions, (ii) filling or dumping, (iii) permanent flooding or impounding, or (iv) new activities that cause significant alteration or degradation of existing wetland acreage or functions. However, to the extent allowed by federal law,

60 any person holding a certificate issued by the Board that is intending to upgrade the permitted facility
61 by installing technology, control equipment, or other apparatus that the permittee demonstrates to the
62 satisfaction of the Director will result in improved energy efficiency, reduction in the amount of
63 nutrients discharged, and improved water quality shall not be required to obtain a new, modified, or
64 amended permit. The permit holder shall provide the demonstration anticipated by this subdivision to the
65 Department no later than 30 days prior to commencing construction.

66 (5a) All certificates issued by the Board under this chapter shall have fixed terms. The term of a
67 Virginia Pollution Discharge Elimination System permit shall not exceed five years. The term of a
68 Virginia Water Protection Permit shall be based upon the projected duration of the project, the length of
69 any required monitoring, or other project operations or permit conditions; however, the term shall not
70 exceed 15 years. The term of a Virginia Pollution Abatement permit shall not exceed 10 years, except
71 that the term of a Virginia Pollution Abatement permit for confined animal feeding operations shall be
72 10 years. The Department of Environmental Quality shall inspect all facilities for which a Virginia
73 Pollution Abatement permit has been issued to ensure compliance with statutory, regulatory, and permit
74 requirements. Department personnel performing inspections of confined animal feeding operations shall
75 be certified under the voluntary nutrient management training and certification program established in
76 § 10.1-104.2. The term of a certificate issued by the Board shall not be extended by modification
77 beyond the maximum duration and the certificate shall expire at the end of the term unless an
78 application for a new permit has been timely filed as required by the regulations of the Board and the
79 Board is unable, through no fault of the permittee, to issue a new permit before the expiration date of
80 the previous permit.

81 (5b) Any certificate issued by the Board under this chapter may, after notice and opportunity for a
82 hearing, be amended or revoked on any of the following grounds or for good cause as may be provided
83 by the regulations of the Board:

84 1. The owner has violated any regulation or order of the Board, any condition of a certificate, any
85 provision of this chapter, or any order of a court, where such violation results in a release of harmful
86 substances into the environment or poses a substantial threat of release of harmful substances into the
87 environment or presents a hazard to human health or the violation is representative of a pattern of
88 serious or repeated violations which, in the opinion of the Board, demonstrates the owner's disregard for
89 or inability to comply with applicable laws, regulations, or requirements;

90 2. The owner has failed to disclose fully all relevant material facts or has misrepresented a material
91 fact in applying for a certificate, or in any other report or document required under this law or under the
92 regulations of the Board;

93 3. The activity for which the certificate was issued endangers human health or the environment and
94 can be regulated to acceptable levels by amendment or revocation of the certificate; or

95 4. There exists a material change in the basis on which the permit was issued that requires either a
96 temporary or a permanent reduction or elimination of any discharge controlled by the certificate
97 necessary to protect human health or the environment.

98 (5c) Any certificate issued by the Board under this chapter relating to dredging projects governed
99 under Chapter 12 (§ 28.2-1200 et seq.) or Chapter 13 (§ 28.2-1300 et seq.) of Title 28.2 may be
100 conditioned upon a demonstration of financial responsibility for the completion of compensatory
101 mitigation requirements. Financial responsibility may be demonstrated by a letter of credit, a certificate
102 of deposit or a performance bond executed in a form approved by the Board. If the U.S. Army Corps of
103 Engineers requires demonstration of financial responsibility for the completion of compensatory
104 mitigation required for a particular project, then the mechanism and amount approved by the U.S. Army
105 Corps of Engineers shall be used to meet this requirement.

106 (6) To make investigations and inspections, to ensure compliance with any certificates, standards,
107 policies, rules, regulations, rulings and special orders which it may adopt, issue or establish and to
108 furnish advice, recommendations, or instructions for the purpose of obtaining such compliance. In
109 recognition of §§ 32.1-164 and 62.1-44.18, the Board and the State Department of Health shall enter into
110 a memorandum of understanding establishing a common format to consolidate and simplify inspections
111 of sewage treatment plants and coordinate the scheduling of the inspections. The new format shall
112 ensure that all sewage treatment plants are inspected at appropriate intervals in order to protect water
113 quality and public health and at the same time avoid any unnecessary administrative burden on those
114 being inspected.

115 (7) To adopt rules governing the procedure of the Board with respect to: (a) hearings; (b) the filing
116 of reports; (c) the issuance of certificates and special orders; and (d) all other matters relating to
117 procedure; and to amend or cancel any rule adopted. Public notice of every rule adopted under this
118 section shall be by such means as the Board may prescribe.

119 (8a) Except as otherwise provided in Articles 2.4 (§ 62.1-44.15:51 et seq.) and 2.5 (§ 62.1-44.15:67
120 et seq.) issue special orders to owners (i) who are permitting or causing the pollution, as defined by
121 § 62.1-44.3, of state waters to cease and desist from such pollution, (ii) who have failed to construct

facilities in accordance with final approved plans and specifications to construct such facilities in accordance with final approved plans and specifications, (iii) who have violated the terms and provisions of a certificate issued by the Board to comply with such terms and provisions, (iv) who have failed to comply with a directive from the Board to comply with such directive, (v) who have contravened duly adopted and promulgated water quality standards and policies to cease and desist from such contravention and to comply with such water quality standards and policies, (vi) who have violated the terms and provisions of a pretreatment permit issued by the Board or by the owner of a publicly owned treatment works to comply with such terms and provisions or (vii) who have contravened any applicable pretreatment standard or requirement to comply with such standard or requirement; and also to issue such orders to require any owner to comply with the provisions of this chapter and any decision of the Board. Except as otherwise provided by a separate article, orders issued pursuant to this subsection may include civil penalties of up to \$32,500 per violation, not to exceed \$100,000 per order. The Board may assess penalties under this subsection if (a) the person has been issued at least two written notices of alleged violation by the Department for the same or substantially related violations at the same site, (b) such violations have not been resolved by demonstration that there was no violation, by an order issued by the Board or the Director, or by other means, (c) at least 130 days have passed since the issuance of the first notice of alleged violation, and (d) there is a finding that such violations have occurred after a hearing conducted in accordance with subdivision (8b). The actual amount of any penalty assessed shall be based upon the severity of the violations, the extent of any potential or actual environmental harm, the compliance history of the facility or person, any economic benefit realized from the noncompliance, and the ability of the person to pay the penalty. The Board shall provide the person with the calculation for the proposed penalty prior to any hearing conducted for the issuance of an order that assesses penalties pursuant to this subsection. The issuance of a notice of alleged violation by the Department shall not be considered a case decision as defined in § 2.2-4001. Any notice of alleged violation shall include a description of each violation, the specific provision of law violated, and information on the process for obtaining a final decision or fact finding from the Department on whether or not a violation has occurred, and nothing in this section shall preclude an owner from seeking such a determination. Such civil penalties shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Environmental Emergency Response Fund (§ 10.1-2500 et seq.), except that civil penalties assessed for violations of Article 9 (§ 62.1-44.34:8 et seq.) or Article 11 (§ 62.1-44.34:14 et seq.) shall be paid into the Virginia Petroleum Storage Tank Fund in accordance with § 62.1-44.34:11, and except that civil penalties assessed for violations of Article 2.3 (§ 62.1-44.15:24 et seq.) shall be paid in accordance with the provisions of § 62.1-44.15:48.

(8b) Such special orders are to be issued only after a hearing before a hearing officer appointed by the Supreme Court in accordance with § 2.2-4020 or, if requested by the person, before a quorum of the Board with at least 30 days' notice to the affected owners, of the time, place and purpose thereof, and they shall become effective not less than 15 days after service as provided in § 62.1-44.12; provided that if the Board finds that any such owner is grossly affecting or presents an imminent and substantial danger to (i) the public health, safety or welfare, or the health of animals, fish or aquatic life; (ii) a public water supply; or (iii) recreational, commercial, industrial, agricultural or other reasonable uses, it may issue, without advance notice or hearing, an emergency special order directing the owner to cease such pollution or discharge immediately, and shall provide an opportunity for a hearing, after reasonable notice as to the time and place thereof to the owner, to affirm, modify, amend or cancel such emergency special order. If an owner who has been issued such a special order or an emergency special order is not complying with the terms thereof, the Board may proceed in accordance with § 62.1-44.23, and where the order is based on a finding of an imminent and substantial danger, the court shall issue an injunction compelling compliance with the emergency special order pending a hearing by the Board. If an emergency special order requires cessation of a discharge, the Board shall provide an opportunity for a hearing within 48 hours of the issuance of the injunction.

(8c) The provisions of this section notwithstanding, the Board may proceed directly under § 62.1-44.32 for any past violation or violations of any provision of this chapter or any regulation duly promulgated hereunder.

(8d) With the consent of any owner who has violated or failed, neglected or refused to obey any regulation or order of the Board, any condition of a permit or any provision of this chapter, the Board may provide, in an order issued by the Board against such person, for the payment of civil charges for past violations in specific sums not to exceed the limit specified in § 62.1-44.32 (a). Such civil charges shall be instead of any appropriate civil penalty which could be imposed under § 62.1-44.32 (a) and shall not be subject to the provisions of § 2.2-514. Such civil charges shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Environmental Emergency Response Fund (§ 10.1-2500 et seq.), excluding civil charges assessed for violations of Article 9 (§ 62.1-44.34:8 et seq.) or 10 (§ 62.1-44.34:10 et seq.) of Chapter 3.1, or a regulation, administrative or judicial order, or

term or condition of approval relating to or issued under those articles, or civil charges assessed for violations of Article 2.3 (§ 62.1-44.15:24 et seq.), or a regulation, administrative or judicial order, or term or condition of approval relating to or issued under that article.

The amendments to this section adopted by the 1976 Session of the General Assembly shall not be construed as limiting or expanding any cause of action or any other remedy possessed by the Board prior to the effective date of said amendments.

(8e) The Board shall develop and provide an opportunity for public comment on guidelines and procedures that contain specific criteria for calculating the appropriate penalty for each violation based upon the severity of the violations, the extent of any potential or actual environmental harm, the compliance history of the facility or person, any economic benefit realized from the noncompliance, and the ability of the person to pay the penalty.

(8f) Before issuing a special order under subdivision (8a) or by consent under (8d), with or without an assessment of a civil penalty, to an owner of a sewerage system requiring corrective action to prevent or minimize overflows of sewage from such system, the Board shall provide public notice of and reasonable opportunity to comment on the proposed order. Any such order under subdivision (8d) may impose civil penalties in amounts up to the maximum amount authorized in § 309(g) of the Clean Water Act. Any person who comments on the proposed order shall be given notice of any hearing to be held on the terms of the order. In any hearing held, such person shall have a reasonable opportunity to be heard and to present evidence. If no hearing is held before issuance of an order under subdivision (8d), any person who commented on the proposed order may file a petition, within 30 days after the issuance of such order, requesting the Board to set aside such order and provide a formal hearing thereon. If the evidence presented by the petitioner in support of the petition is material and was not considered in the issuance of the order, the Board shall immediately set aside the order, provide a formal hearing, and make such petitioner a party. If the Board denies the petition, the Board shall provide notice to the petitioner and make available to the public the reasons for such denial, and the petitioner shall have the right to judicial review of such decision under § 62.1-44.29 if he meets the requirements thereof.

(8g) *To penalize cumulative violations of the requirements of this chapter by any person related to the construction of a natural gas transmission pipeline that is greater than 36 inches inside diameter.*

1. *For every 10 violations of the requirements of this chapter that are, after notice and a hearing or with the consent of the person, found to have occurred anywhere on the pipeline project in one calendar month, the Board shall issue an order that includes a civil penalty of up to \$32,500. Such penalty shall be separate from and in addition to the penalties that are assessed for the underlying violations and any other penalties. Such civil penalties shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Environmental Emergency Response Fund (§ 10.1-2500 et seq.), except that civil penalties assessed for violations of Article 2.3 (§ 62.1-44.15:24 et seq.) or Article 2.4 (§ 62.1-44.15:51 et seq.) shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Stormwater Management Fund (§ 62.1-44.15:29).*

2. *If anywhere on the pipeline project a total of 20 violations of the requirements of this chapter are, after notice and a hearing or with the consent of the person, found to have occurred in one calendar month, the Board shall, in addition to assessing any penalties, issue an order to halt work on the entirety of the project, with work to remain halted until corrective action specified in the order is taken and is reviewed and approved by the Board.*

(9) To make such rulings under §§ 62.1-44.16, 62.1-44.17, and 62.1-44.19 as may be required upon requests or applications to the Board, the owner or owners affected to be notified by certified mail as soon as practicable after the Board makes them and such rulings to become effective upon such notification.

(10) To adopt such regulations as it deems necessary to enforce the general water quality management program of the Board in all or part of the Commonwealth, except that a description of provisions of any proposed regulation which are more restrictive than applicable federal requirements, together with the reason why the more restrictive provisions are needed, shall be provided to the standing committee of each house of the General Assembly to which matters relating to the content of the regulation are most properly referable.

(11) To investigate any large-scale killing of fish.

(a) Whenever the Board shall determine that any owner, whether or not he shall have been issued a certificate for discharge of waste, has discharged sewage, industrial waste, or other waste into state waters in such quantity, concentration or manner that fish are killed as a result thereof, it may effect such settlement with the owner as will cover the costs incurred by the Board and by the Department of Game and Inland Fisheries in investigating such killing of fish, plus the replacement value of the fish destroyed, or as it deems proper, and if no such settlement is reached within a reasonable time, the Board shall authorize its executive secretary to bring a civil action in the name of the Board to recover from the owner such costs and value, plus any court or other legal costs incurred in connection with such action.

(b) If the owner is a political subdivision of the Commonwealth, the action may be brought in any circuit court within the territory embraced by such political subdivision. If the owner is an establishment, as defined in this chapter, the action shall be brought in the circuit court of the city or the circuit court of the county in which such establishment is located. If the owner is an individual or group of individuals, the action shall be brought in the circuit court of the city or circuit court of the county in which such person or any of them reside.

(c) For the purposes of this subsection the State Water Control Board shall be deemed the owner of the fish killed and the proceedings shall be as though the State Water Control Board were the owner of the fish. The fact that the owner has or held a certificate issued under this chapter shall not be raised as a defense in bar to any such action.

(d) The proceeds of any recovery had under this subsection shall, when received by the Board, be applied, first, to reimburse the Board for any expenses incurred in investigating such killing of fish. The balance shall be paid to the Board of Game and Inland Fisheries to be used for the fisheries' management practices as in its judgment will best restore or replace the fisheries' values lost as a result of such discharge of waste, including, where appropriate, replacement of the fish killed with game fish or other appropriate species. Any such funds received are hereby appropriated for that purpose.

(e) Nothing in this subsection shall be construed in any way to limit or prevent any other action which is now authorized by law by the Board against any owner.

(f) Notwithstanding the foregoing, the provisions of this subsection shall not apply to any owner who adds or applies any chemicals or other substances that are recommended or approved by the State Department of Health to state waters in the course of processing or treating such waters for public water supply purposes, except where negligence is shown.

(12) To administer programs of financial assistance for planning, construction, operation, and maintenance of water quality control facilities for political subdivisions in the Commonwealth.

(13) To establish policies and programs for effective area-wide or basin-wide water quality control and management. The Board may develop comprehensive pollution abatement and water quality control plans on an area-wide or basin-wide basis. In conjunction with this, the Board, when considering proposals for waste treatment facilities, is to consider the feasibility of combined or joint treatment facilities and is to ensure that the approval of waste treatment facilities is in accordance with the water quality management and pollution control plan in the watershed or basin as a whole. In making such determinations, the Board is to seek the advice of local, regional, or state planning authorities.

(14) To establish requirements for the treatment of sewage, industrial wastes and other wastes that are consistent with the purposes of this chapter; however, no treatment shall be less than secondary or its equivalent, unless the owner can demonstrate that a lesser degree of treatment is consistent with the purposes of this chapter.

(15) To promote and establish requirements for the reclamation and reuse of wastewater that are protective of state waters and public health as an alternative to directly discharging pollutants into waters of the state. The requirements shall address various potential categories of reuse and may include general permits and provide for greater flexibility and less stringent requirements commensurate with the quality of the reclaimed water and its intended use. The requirements shall be developed in consultation with the Department of Health and other appropriate state agencies. This authority shall not be construed as conferring upon the Board any power or duty duplicative of those of the State Board of Health.

(16) To establish and implement policies and programs to protect and enhance the Commonwealth's wetland resources. Regulatory programs shall be designed to achieve no net loss of existing wetland acreage and functions. Voluntary and incentive-based programs shall be developed to achieve a net resource gain in acreage and functions of wetlands. The Board shall seek and obtain advice and guidance from the Virginia Institute of Marine Science in implementing these policies and programs.

(17) To establish additional procedures for obtaining a Virginia Water Protection Permit pursuant to §§ 62.1-44.15:20 and 62.1-44.15:22 for a proposed water withdrawal involving the transfer of water resources between major river basins within the Commonwealth that may impact water basins in another state. Such additional procedures shall not apply to any water withdrawal in existence as of July 1, 2012, except where the expansion of such withdrawal requires a permit under §§ 62.1-44.15:20 and 62.1-44.15:22, in which event such additional procedures may apply to the extent of the expanded withdrawal only. The applicant shall provide as part of the application (i) an analysis of alternatives to such a transfer, (ii) a comprehensive analysis of the impacts that would occur in the source and receiving basins, (iii) a description of measures to mitigate any adverse impacts that may arise, (iv) a description of how notice shall be provided to interested parties, and (v) any other requirements that the Board may adopt that are consistent with the provisions of this section and §§ 62.1-44.15:20 and 62.1-44.15:22 or regulations adopted thereunder. This subdivision shall not be construed as limiting or expanding the Board's authority under §§ 62.1-44.15:20 and 62.1-44.15:22 to issue permits and impose conditions or limitations on the permitted activity.

(18) To be the lead agency for the Commonwealth's nonpoint source pollution management program, including coordination of the nonpoint source control elements of programs developed pursuant to certain state and federal laws, including § 319 of the federal Clean Water Act and § 6217 of the federal Coastal Zone Management Act. Further responsibilities include the adoption of regulations necessary to implement a nonpoint source pollution management program in the Commonwealth, the distribution of assigned funds, the identification and establishment of priorities to address nonpoint source related water quality problems, the administration of the Statewide Nonpoint Source Advisory Committee, and the development of a program for the prevention and control of soil erosion, sediment deposition, and nonagricultural runoff to conserve Virginia's natural resources.

§ 62.1-44.15. (For effective date, see Acts 2016, cc. 68 and 758, as amended by Acts 2017, c. 345) Powers and duties; civil penalties.

It shall be the duty of the Board and it shall have the authority:

(1) [Repealed.]

(2) To study and investigate all problems concerned with the quality of state waters and to make reports and recommendations.

(2a) To study and investigate methods, procedures, devices, appliances, and technologies that could assist in water conservation or water consumption reduction.

(2b) To coordinate its efforts toward water conservation with other persons or groups, within or without the Commonwealth.

(2c) To make reports concerning, and formulate recommendations based upon, any such water conservation studies to ensure that present and future water needs of the citizens of the Commonwealth are met.

(3a) To establish such standards of quality and policies for any state waters consistent with the general policy set forth in this chapter, and to modify, amend, or cancel any such standards or policies established and to take all appropriate steps to prevent quality alteration contrary to the public interest or to standards or policies thus established, except that a description of provisions of any proposed standard or policy adopted by regulation which are more restrictive than applicable federal requirements, together with the reason why the more restrictive provisions are needed, shall be provided to the standing committee of each house of the General Assembly to which matters relating to the content of the standard or policy are most properly referable. The Board shall, from time to time, but at least once every three years, hold public hearings pursuant to § 2.2-4007.01 but, upon the request of an affected person or upon its own motion, hold hearings pursuant to § 2.2-4009, for the purpose of reviewing the standards of quality, and, as appropriate, adopting, modifying, or canceling such standards. Whenever the Board considers the adoption, modification, amendment, or cancellation of any standard, it shall give due consideration to, among other factors, the economic and social costs and benefits which can reasonably be expected to obtain as a consequence of the standards as adopted, modified, amended, or cancelled. The Board shall also give due consideration to the public health standards issued by the Virginia Department of Health with respect to issues of public health policy and protection. If the Board does not follow the public health standards of the Virginia Department of Health, the Board's reason for any deviation shall be made in writing and published for any and all concerned parties.

(3b) Except as provided in subdivision (3a), such standards and policies are to be adopted or modified, amended, or cancelled in the manner provided by the Administrative Process Act (§ 2.2-4000 et seq.).

(4) To conduct or have conducted scientific experiments, investigations, studies, and research to discover methods for maintaining water quality consistent with the purposes of this chapter. To this end the Board may cooperate with any public or private agency in the conduct of such experiments, investigations, and research and may receive in behalf of the Commonwealth any moneys that any such agency may contribute as its share of the cost under any such cooperative agreement. Such moneys shall be used only for the purposes for which they are contributed and any balance remaining after the conclusion of the experiments, investigations, studies, and research, shall be returned to the contributors.

(5) To issue, revoke, or amend certificates and land-disturbance approvals under prescribed conditions for (a) the discharge of sewage, stormwater, industrial wastes, and other wastes into or adjacent to state waters; (b) the alteration otherwise of the physical, chemical, or biological properties of state waters; (c) excavation in a wetland; or (d) on and after October 1, 2001, the conduct of the following activities in a wetland: (i) new activities to cause draining that significantly alters or degrades existing wetland acreage or functions, (ii) filling or dumping, (iii) permanent flooding or impounding, or (iv) new activities that cause significant alteration or degradation of existing wetland acreage or functions. However, to the extent allowed by federal law, any person holding a certificate issued by the Board that is intending to upgrade the permitted facility by installing technology, control equipment, or other apparatus that the permittee demonstrates to the satisfaction of the Director will result in improved energy efficiency, reduction in the amount of nutrients discharged, and improved water quality shall not be required to obtain a new, modified, or amended permit. The permit holder shall provide the

demonstration anticipated by this subdivision to the Department no later than 30 days prior to commencing construction.

(5a) All certificates issued by the Board under this chapter shall have fixed terms. The term of a Virginia Pollution Discharge Elimination System permit shall not exceed five years. The term of a Virginia Water Protection Permit shall be based upon the projected duration of the project, the length of any required monitoring, or other project operations or permit conditions; however, the term shall not exceed 15 years. The term of a Virginia Pollution Abatement permit shall not exceed 10 years, except that the term of a Virginia Pollution Abatement permit for confined animal feeding operations shall be 10 years. The Department of Environmental Quality shall inspect all facilities for which a Virginia Pollution Abatement permit has been issued to ensure compliance with statutory, regulatory, and permit requirements. Department personnel performing inspections of confined animal feeding operations shall be certified under the voluntary nutrient management training and certification program established in § 10.1-104.2. The term of a certificate issued by the Board shall not be extended by modification beyond the maximum duration and the certificate shall expire at the end of the term unless an application for a new permit has been timely filed as required by the regulations of the Board and the Board is unable, through no fault of the permittee, to issue a new permit before the expiration date of the previous permit.

(5b) Any certificate or land-disturbance approval issued by the Board under this chapter may, after notice and opportunity for a hearing, be amended or revoked on any of the following grounds or for good cause as may be provided by the regulations of the Board:

1. The owner has violated any regulation or order of the Board, any condition of a certificate or land-disturbance approval, any provision of this chapter, or any order of a court, where such violation results in a release of harmful substances into the environment, poses a substantial threat of release of harmful substances into the environment, causes unreasonable property degradation, or presents a hazard to human health or the violation is representative of a pattern of serious or repeated violations which, in the opinion of the Board, demonstrates the owner's disregard for or inability to comply with applicable laws, regulations, or requirements;

2. The owner has failed to disclose fully all relevant material facts or has misrepresented a material fact in applying for a certificate or land-disturbance approval, or in any other report or document required under this law or under the regulations of the Board;

3. The activity for which the certificate or land-disturbance approval was issued endangers human health or the environment or causes unreasonable property degradation and can be regulated to acceptable levels or practices by amendment or revocation of the certificate or land-disturbance approval; or

4. There exists a material change in the basis on which the certificate, land-disturbance approval, or permit was issued that requires either a temporary or a permanent reduction or elimination of any discharge or land-disturbing activity controlled by the certificate, land-disturbance approval, or permit necessary to protect human health or the environment or stop or prevent unreasonable degradation of property.

(5c) Any certificate issued by the Board under this chapter relating to dredging projects governed under Chapter 12 (§ 28.2-1200 et seq.) or Chapter 13 (§ 28.2-1300 et seq.) of Title 28.2 may be conditioned upon a demonstration of financial responsibility for the completion of compensatory mitigation requirements. Financial responsibility may be demonstrated by a letter of credit, a certificate of deposit, or a performance bond executed in a form approved by the Board. If the U.S. Army Corps of Engineers requires demonstration of financial responsibility for the completion of compensatory mitigation required for a particular project, then the mechanism and amount approved by the U.S. Army Corps of Engineers shall be used to meet this requirement.

(6) To make investigations and inspections, to ensure compliance with the conditions of any certificates, land-disturbance approvals, standards, policies, rules, regulations, rulings, and orders that it may adopt, issue, or establish, and to furnish advice, recommendations, or instructions for the purpose of obtaining such compliance. In recognition of §§ 32.1-164 and 62.1-44.18, the Board and the State Department of Health shall enter into a memorandum of understanding establishing a common format to consolidate and simplify inspections of sewage treatment plants and coordinate the scheduling of the inspections. The new format shall ensure that all sewage treatment plants are inspected at appropriate intervals in order to protect water quality and public health and at the same time avoid any unnecessary administrative burden on those being inspected.

(7) To adopt rules governing the procedure of the Board with respect to (a) hearings; (b) the filing of reports; (c) the issuance of certificates and orders; and (d) all other matters relating to procedure; and to amend or cancel any rule adopted. Public notice of every rule adopted under this section shall be by such means as the Board may prescribe.

(8a) Except as otherwise provided in subdivision (19) and Article 2.3 (§ 62.1-44.15:24 et seq.), to

429 issue special orders to owners, including owners as defined in § 62.1-44.15:24, who (i) are permitting or
430 causing the pollution, as defined by § 62.1-44.3, of state waters or the unreasonable degradation of
431 property to cease and desist from such pollution or degradation, (ii) have failed to construct facilities in
432 accordance with final approved plans and specifications to construct such facilities in accordance with
433 final approved plans and specifications, (iii) have violated the terms and provisions of a certificate or
434 land-disturbance approval issued by the Board to comply with such terms and provisions, (iv) have
435 failed to comply with a directive from the Board to comply with such directive, (v) have contravened
436 duly adopted and promulgated water quality standards and policies to cease and desist from such
437 contravention and to comply with such water quality standards and policies, (vi) have violated the terms
438 and provisions of a pretreatment permit issued by the Board or by the owner of a publicly owned
439 treatment works to comply with such terms and provisions, or (vii) have contravened any applicable
440 pretreatment standard or requirement to comply with such standard or requirement; and also to issue
441 such orders to require any owner to comply with the provisions of this chapter and any decision of the
442 Board. Except as otherwise provided by a separate article, orders issued pursuant to this subdivision may
443 include civil penalties of up to \$ 32,500 per violation, not to exceed \$ 100,000 per order. The Board
444 may assess penalties under this subdivision if (a) the person has been issued at least two written notices
445 of alleged violation by the Department for the same or substantially related violations at the same site,
446 (b) such violations have not been resolved by demonstration that there was no violation, by an order
447 issued by the Board or the Director, or by other means, (c) at least 130 days have passed since the
448 issuance of the first notice of alleged violation, and (d) there is a finding that such violations have
449 occurred after a hearing conducted in accordance with subdivision (8b). The actual amount of any
450 penalty assessed shall be based upon the severity of the violations, the extent of any potential or actual
451 environmental harm, the compliance history of the facility or person, any economic benefit realized from
452 the noncompliance, and the ability of the person to pay the penalty. The Board shall provide the person
453 with the calculation for the proposed penalty prior to any hearing conducted for the issuance of an order
454 that assesses penalties pursuant to this subdivision. The issuance of a notice of alleged violation by the
455 Department shall not be considered a case decision as defined in § 2.2-4001. Any notice of alleged
456 violation shall include a description of each violation, the specific provision of law violated, and
457 information on the process for obtaining a final decision or fact finding from the Department on whether
458 or not a violation has occurred, and nothing in this section shall preclude an owner from seeking such a
459 determination. Such civil penalties shall be paid into the state treasury and deposited by the State
460 Treasurer into the Virginia Environmental Emergency Response Fund (§ 10.1-2500 et seq.), except that
461 civil penalties assessed for violations of Article 9 (§ 62.1-44.34:8 et seq.) or Article 11 (§ 62.1-44.34:14
462 et seq.) shall be paid into the Virginia Petroleum Storage Tank Fund in accordance with § 62.1-44.34:11,
463 and except that civil penalties assessed for violations of subdivision (19) or Article 2.3 (§ 62.1-44.15:24
464 et seq.) shall be paid into the Stormwater Local Assistance Fund in accordance with § 62.1-44.15:29.1.

465 (8b) Such special orders are to be issued only after a hearing before a hearing officer appointed by
466 the Supreme Court in accordance with § 2.2-4020 or, if requested by the person, before a quorum of the
467 Board with at least 30 days' notice to the affected owners, of the time, place, and purpose thereof, and
468 they shall become effective not less than 15 days after service as provided in 62.1-44.12, provided that
469 if the Board finds that any such owner is grossly affecting or presents an imminent and substantial
470 danger to (i) the public health, safety, or welfare, or the health of animals, fish, or aquatic life; (ii) a
471 public water supply; or (iii) recreational, commercial, industrial, agricultural, or other reasonable uses, it
472 may issue, without advance notice or hearing, an emergency special order directing the owner to cease
473 such pollution or discharge immediately, and shall provide an opportunity for a hearing, after reasonable
474 notice as to the time and place thereof to the owner, to affirm, modify, amend, or cancel such
475 emergency special order. If an owner who has been issued such a special order or an emergency special
476 order is not complying with the terms thereof, the Board may proceed in accordance with 62.1-44.23,
477 and where the order is based on a finding of an imminent and substantial danger, the court shall issue
478 an injunction compelling compliance with the emergency special order pending a hearing by the Board.
479 If an emergency special order requires cessation of a discharge, the Board shall provide an opportunity
480 for a hearing within 48 hours of the issuance of the injunction.

481 (8c) The provisions of this section notwithstanding, the Board may proceed directly under
482 § 62.1-44.32 for any past violation or violations of any provision of this chapter or any regulation duly
483 promulgated hereunder.

484 (8d) Except as otherwise provided in subdivision (19), subdivision 2 of § 62.1-44.15:25, or
485 § 62.1-44.15:63, with the consent of any owner who has violated or failed, neglected, or refused to obey
486 any regulation or order of the Board, any condition of a certificate, land-disturbance approval, or permit,
487 or any provision of this chapter, the Board may provide, in an order issued by the Board against such
488 person, for the payment of civil charges for past violations in specific sums not to exceed the limit
489 specified in subsection (a) of § 62.1-44.32. Such civil charges shall be instead of any appropriate civil
490 penalty which could be imposed under subsection (a) of § 62.1-44.32 and shall not be subject to the

provisions of § 2.2-514. Such civil charges shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Environmental Emergency Response Fund (§ 10.1-2500 et seq.), excluding civil charges assessed for violations of Article 9 (§ 62.1-44.34:8 et seq.) or 10 (§ 62.1-44.34:10 et seq.) of Chapter 3.1, or a regulation, administrative or judicial order, or term or condition of approval relating to or issued under those articles, or civil charges assessed for violations of Article 2.3 (§ 62.1-44.15:24 et seq.) or 2.5 (§ 62.1-44.15:67 et seq.) or a regulation, administrative or judicial order, or term or condition of approval relating to or issued under Article 2.3 or 2.5.

The amendments to this section adopted by the 1976 Session of the General Assembly shall not be construed as limiting or expanding any cause of action or any other remedy possessed by the Board prior to the effective date of said amendments.

(8e) The Board shall develop and provide an opportunity for public comment on guidelines and procedures that contain specific criteria for calculating the appropriate penalty for each violation based upon the severity of the violations, the extent of any potential or actual environmental harm, the compliance history of the facility or person, any economic benefit realized from the noncompliance, and the ability of the person to pay the penalty.

(8f) Before issuing a special order under subdivision (8a) or by consent under (8d), with or without an assessment of a civil penalty, to an owner of a sewerage system requiring corrective action to prevent or minimize overflows of sewage from such system, the Board shall provide public notice of and reasonable opportunity to comment on the proposed order. Any such order under subdivision (8d) may impose civil penalties in amounts up to the maximum amount authorized in § 309(g) of the Clean Water Act. Any person who comments on the proposed order shall be given notice of any hearing to be held on the terms of the order. In any hearing held, such person shall have a reasonable opportunity to be heard and to present evidence. If no hearing is held before issuance of an order under subdivision (8d), any person who commented on the proposed order may file a petition, within 30 days after the issuance of such order, requesting the Board to set aside such order and provide a formal hearing thereon. If the evidence presented by the petitioner in support of the petition is material and was not considered in the issuance of the order, the Board shall immediately set aside the order, provide a formal hearing, and make such petitioner a party. If the Board denies the petition, the Board shall provide notice to the petitioner and make available to the public the reasons for such denial, and the petitioner shall have the right to judicial review of such decision under § 62.1-44.29 if he meets the requirements thereof.

(8g) To penalize cumulative violations of the requirements of this chapter by any person related to the construction of a natural gas transmission pipeline that is greater than 36 inches inside diameter.

1. For every 10 violations of the requirements of this chapter that are, after notice and a hearing or with the consent of the person, found to have occurred anywhere on the pipeline project in one calendar month, the Board shall issue an order that includes a civil penalty of up to \$32,500. Such penalty shall be separate from and in addition to the penalties that are assessed for the underlying violations and any other penalties. Such civil penalties shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Environmental Emergency Response Fund (§ 10.1-2500 et seq.), except that civil penalties assessed for violations of Article 2.3 (§ 62.1-44.15:24 et seq.) or Article 2.4 (§ 62.1-44.15:51 et seq.) shall be paid into the state treasury and deposited by the State Treasurer into the Virginia Stormwater Management Fund (§ 62.1-44.15:29).

2. If anywhere on the pipeline project a total of 20 violations of the requirements of this chapter are, after notice and a hearing or with the consent of the person, found to have occurred in one calendar month, the Board shall, in addition to assessing any penalties, issue an order to halt work on the entirety of the project, with work to remain halted until corrective action specified in the order is taken and is reviewed and approved by the Board.

(9) To make such rulings under §§ 62.1-44.16, 62.1-44.17, and 62.1-44.19 as may be required upon requests or applications to the Board, the owner or owners affected to be notified by certified mail as soon as practicable after the Board makes them and such rulings to become effective upon such notification.

(10) To adopt such regulations as it deems necessary to enforce the general soil erosion control and stormwater management program and water quality management program of the Board in all or part of the Commonwealth, except that a description of provisions of any proposed regulation which are more restrictive than applicable federal requirements, together with the reason why the more restrictive provisions are needed, shall be provided to the standing committee of each house of the General Assembly to which matters relating to the content of the regulation are most properly referable.

(11) To investigate any large-scale killing of fish.

(a) Whenever the Board shall determine that any owner, whether or not he shall have been issued a certificate for discharge of waste, has discharged sewage, industrial waste, or other waste into state waters in such quantity, concentration, or manner that fish are killed as a result thereof, it may effect such settlement with the owner as will cover the costs incurred by the Board and by the Department of

552 Game and Inland Fisheries in investigating such killing of fish, plus the replacement value of the fish
553 destroyed, or as it deems proper, and if no such settlement is reached within a reasonable time, the
554 Board shall authorize its executive secretary to bring a civil action in the name of the Board to recover
555 from the owner such costs and value, plus any court or other legal costs incurred in connection with
556 such action.

557 (b) If the owner is a political subdivision of the Commonwealth, the action may be brought in any
558 circuit court within the territory embraced by such political subdivision. If the owner is an
559 establishment, as defined in this chapter, the action shall be brought in the circuit court of the city or the
560 circuit court of the county in which such establishment is located. If the owner is an individual or group
561 of individuals, the action shall be brought in the circuit court of the city or circuit court of the county in
562 which such person or any of them reside.

563 (c) For the purposes of this subsection the State Water Control Board shall be deemed the owner of
564 the fish killed and the proceedings shall be as though the State Water Control Board were the owner of
565 the fish. The fact that the owner has or held a certificate issued under this chapter shall not be raised as
566 a defense in bar to any such action.

567 (d) The proceeds of any recovery had under this subsection shall, when received by the Board, be
568 applied, first, to reimburse the Board for any expenses incurred in investigating such killing of fish. The
569 balance shall be paid to the Board of Game and Inland Fisheries to be used for the fisheries'
570 management practices as in its judgment will best restore or replace the fisheries' values lost as a result
571 of such discharge of waste, including, where appropriate, replacement of the fish killed with game fish
572 or other appropriate species. Any such funds received are hereby appropriated for that purpose.

573 (e) Nothing in this subsection shall be construed in any way to limit or prevent any other action
574 which is now authorized by law by the Board against any owner.

575 (f) Notwithstanding the foregoing, the provisions of this subsection shall not apply to any owner who
576 adds or applies any chemicals or other substances that are recommended or approved by the State
577 Department of Health to state waters in the course of processing or treating such waters for public water
578 supply purposes, except where negligence is shown.

579 (12) To administer programs of financial assistance for planning, construction, operation, and
580 maintenance of water quality control facilities for political subdivisions in the Commonwealth.

581 (13) To establish policies and programs for effective area-wide or basin-wide water quality control
582 and management. The Board may develop comprehensive pollution abatement and water quality control
583 plans on an area-wide or basin-wide basis. In conjunction with this, the Board, when considering
584 proposals for waste treatment facilities, is to consider the feasibility of combined or joint treatment
585 facilities and is to ensure that the approval of waste treatment facilities is in accordance with the water
586 quality management and pollution control plan in the watershed or basin as a whole. In making such
587 determinations, the Board is to seek the advice of local, regional, or state planning authorities.

588 (14) To establish requirements for the treatment of sewage, industrial wastes, and other wastes that
589 are consistent with the purposes of this chapter; however, no treatment shall be less than secondary or
590 its equivalent, unless the owner can demonstrate that a lesser degree of treatment is consistent with the
591 purposes of this chapter.

592 (15) To promote and establish requirements for the reclamation and reuse of wastewater that are
593 protective of state waters and public health as an alternative to directly discharging pollutants into waters
594 of the state. The requirements shall address various potential categories of reuse and may include
595 general permits and provide for greater flexibility and less stringent requirements commensurate with the
596 quality of the reclaimed water and its intended use. The requirements shall be developed in consultation
597 with the Department of Health and other appropriate state agencies. This authority shall not be construed
598 as conferring upon the Board any power or duty duplicative of those of the State Board of Health.

599 (16) To establish and implement policies and programs to protect and enhance the Commonwealth's
600 wetland resources. Regulatory programs shall be designed to achieve no net loss of existing wetland
601 acreage and functions. Voluntary and incentive-based programs shall be developed to achieve a net
602 resource gain in acreage and functions of wetlands. The Board shall seek and obtain advice and
603 guidance from the Virginia Institute of Marine Science in implementing these policies and programs.

604 (17) To establish additional procedures for obtaining a Virginia Water Protection Permit pursuant to
605 §§ 62.1-44.15:20 and 62.1-44.15:22 for a proposed water withdrawal involving the transfer of water
606 resources between major river basins within the Commonwealth that may impact water basins in another
607 state. Such additional procedures shall not apply to any water withdrawal in existence as of July 1,
608 2012, except where the expansion of such withdrawal requires a permit under §§ 62.1-44.15:20 and
609 62.1-44.15:22, in which event such additional procedures may apply to the extent of the expanded
610 withdrawal only. The applicant shall provide as part of the application (i) an analysis of alternatives to
611 such a transfer, (ii) a comprehensive analysis of the impacts that would occur in the source and
612 receiving basins, (iii) a description of measures to mitigate any adverse impacts that may arise, (iv) a
613 description of how notice shall be provided to interested parties, and (v) any other requirements that the

Board may adopt that are consistent with the provisions of this section and §§ 62.1-44.15:20 and 62.1-44.15:22 or regulations adopted thereunder. This subdivision shall not be construed as limiting or expanding the Board's authority under §§ 62.1-44.15:20 and 62.1-44.15:22 to issue permits and impose conditions or limitations on the permitted activity.

(18) To be the lead agency for the Commonwealth's nonpoint source pollution management program, including coordination of the nonpoint source control elements of programs developed pursuant to certain state and federal laws, including § 319 of the federal Clean Water Act and § 6217 of the federal Coastal Zone Management Act. Further responsibilities include the adoption of regulations necessary to implement a nonpoint source pollution management program in the Commonwealth, the distribution of assigned funds, the identification and establishment of priorities to address nonpoint source related water quality problems, the administration of the Statewide Nonpoint Source Advisory Committee, and the development of a program for the prevention and control of soil erosion, sediment deposition, and nonagricultural runoff to conserve Virginia's natural resources.

(19) To review for compliance with the provisions of this chapter the Virginia Erosion and Stormwater Management Programs adopted by localities pursuant to § 62.1-44.15:27, the Virginia Erosion and Sediment Control Programs adopted by localities pursuant to subdivision B 3 of § 62.1-44.15:27, and the programs adopted by localities pursuant to the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.). The Board shall develop and implement a schedule for conducting such program reviews as often as necessary but at least once every five years. Following the completion of a compliance review in which deficiencies are found, the Board shall establish a schedule for the locality to follow in correcting the deficiencies and bringing its program into compliance. If the locality fails to bring its program into compliance in accordance with the compliance schedule, then the Board is authorized to (i) issue a special order to any locality imposing a civil penalty not to exceed \$ 5,000 per violation with the maximum amount not to exceed \$ 50,000 per order for noncompliance with the state program, to be paid into the state treasury and deposited in the Stormwater Local Assistance Fund established in § 62.1-44.15:29.1 or (ii) with the consent of the locality, provide in an order issued against the locality for the payment of civil charges for violations in lieu of civil penalties, in specific sums not to exceed the limit stated in this subdivision. Such civil charges shall be in lieu of any appropriate civil penalty that could be imposed under subsection (a) of § 62.1-44.32 and shall not be subject to the provisions of § 2.2-514. The Board shall not delegate to the Department its authority to issue special orders pursuant to clause (i). In lieu of issuing an order, the Board is authorized to take legal action against a locality pursuant to § 62.1-44.23 to ensure compliance.