

Division of Financial Assistance Wastewater Operator Certification Program Fee Schedule Changes June 5, 2024

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Fee Setting Process

Authority and Guiding Principles

Pursuant to subdivision (e) of Water Code section 13628, the State Water Board is required to review its fees each fiscal year to ensure that the fees collected provide sufficient revenue to recover the costs of the WWOCP and to compensate for past over-collection or under-collection of revenue. Subdivision (e) of Water Code section 13628 also authorizes the State Water Board to adopt amendments to the WWOCP fees through the emergency rulemaking process. The emergency regulations remain in effect until they are revised by the State Water Board.

- Sustainable
- Generates sufficient revenue to cover Program expenditures
- Works within legislative budgetary authority

Fee Setting Process

Process

- Annually review Program expenditures and revenue estimates
- Review each iteration of the budget
- Determine if the fee schedule needs adjustments
- Conduct and Advisory Committee meeting to discuss adjustments and proposed changes to the fee schedule
- Take the fee schedule proposed changes to the Board for approval
- Implement approved fee schedule changes via the emergency rulemaking process

Background

The WWOCP's revenue comes from fees paid by applicants, certified operators, and registered contract operators for various services associated with certification. There are approximately 6,000 certified wastewater treatment plant operators. The operational expenses for WWOCP fall into three broad areas: 1) issuing and renewing certificates and registrations; 2) administering operator examinations; and 3) enforcement against operators, contract operators, and wastewater treatment plant owners that have violated the WWOCP Regulations. More specifically, the WWOCP's responsibilities include:

- Processing certification applications;
- Processing renewals for approximately 6,000 operators once every 3 years;
- Classifying wastewater treatment plants;
- Processing examination applications;
- Administering examinations through computer-based testing (CBT);
- Registering and renewing approximately 75 contract operator registrations;
- Maintaining physical files, the Operator Certification database (OCIS), and the WWOCP website;
- Conducting outreach and customer education, as necessary;
- Investigating complaints of misconduct and conduct appropriate enforcement actions;
- Amending the WWOCP Regulations, as necessary; and
- Coordinating with the WWOCP Advisory Committee.

2017 Fee Reductions

Effective November 16, 2017, the WWOCP fees were reduced with the goal of lowering the fund reserve to a prudent reserve of \$1 million over six years. Below is a summary of the 2017 major changes:

- Examination fees (a portion of the total examination fee) for all grades were reduced by 25 percent.
- Examination application fees for re-examination for all grades were reduced by 25 percent.
- Certification fees for all grades were reduced by 25 percent.
- Dual certified operator (wastewater and drinking water) certification fees for all grades were reduced by 25 percent.
- Renewal fees for all grades were reduced to \$150.
- Dual certified operator (wastewater and drinking water) renewal fees for all grades were reduced by 25 percent.
- Certification periods were extended from two (2) years to three (3) years, which indirectly reduced fee revenues.

Program Revenue and Expenditures

(amounts listed in thousands)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	
Revenue	\$1,265	\$1,008	\$703	\$682	\$571	\$630	\$608	
Expenditures	\$1,037	\$1,046	\$1,212	\$969	\$985	\$1,388	\$1,212	
Difference	\$228	(\$38)	(\$509)	(\$287)	(\$414)	(\$758)	(\$604)	
% Difference	21.99%	-3.63%	-42.00%	-29.62%	-42.03%	-54.61%	-49.83%	
							Fund Balance	\$1,041

	FY 2023/24 Estimate	TOTALS
Revenue		
Fees	\$679	
Subtotal		\$679
Expenditures		
Personnel Services	\$858	
Supplemental Pension Assessment	\$21	
Pro Rata	\$88	
Contract – Computer Based Testing	\$150	
Subtotal		\$1,117
Difference		(\$438)
% Difference		-39.21%

Since the 2017 fee schedule reductions the costs to administer the WWOCP have consistently outpaced the revenue that the WWOCP collects.

FY 2024/25 Estimated Expenditures

Note: All expenditure data are for estimate purposes only and subject to change

	FY 2024/25 Estimates
State Operations	
Program Staff (Direct and Indirect)	\$1,150,001
CBT Contract (FY allotment)	\$149,999
Other State Operations	
Supplemental Pension Assessment	\$16,000
Pro Rata	\$65,000
Total	\$1,381,000

Fund Condition and Proposed Fee Options

STATE WATER RESOURCES CONTROL BOARD											
FUND CONDITION STATEMENT											
		No Change	Option 1 25% Fee Increase	Option 2 35% Fee Increase	No Change	Option 1 55% Fee Increase	Option 2 40% Fee Increase	No Change	Option 1 5% Fee Increase	Option 2 10% Fee Increase	
3160 Wastewater Operator Certification Fund	2023-24	2024-25	2024-25	2024-25	2025-26	2025-26	2025-26	2026-27	2026-27	2026-27	
BEGINNING BALANCE	\$ 1,041	\$ 609	\$ 609	\$ 609	\$ (87)	\$ 83	\$ 151	\$ (783)	\$ 23	\$ 59	
Prior year adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Adjusted Beginning Balance	\$ 1,041	\$ 609	\$ 609	\$ 609	\$ (87)	\$ 83	\$ 151	\$ (783)	\$ 23	\$ 59	
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS											
Other Regulatory Fees	679	679	849	917	679	1,316	1,283	679	1,381	1,412	
Investment Income Surplus Money Investments	6	6	6	6	6	6	6	6	6	6	
Total Revenues, Transfers, and Other Adjustments	\$ 685	\$ 685	\$ 855	\$ 923	\$ 685	\$ 1,322	\$ 1,289	\$ 685	\$ 1,387	\$ 1,418	
Total Resources	\$ 1,726	\$ 1,294	\$ 1,464	\$ 1,532	\$ 598	\$ 1,404	\$ 1,440	\$ (98)	\$ 1,411	\$ 1,477	
EXPENDITURES AND EXPENDITURE ADJUSTMENTS											
Expenditures:											
State Operations	1,008	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	
Supplemental Pension Assessment	21	16	16	16	16	16	16	16	16	16	
Pro Rata	88	65	65	65	65	65	65	65	65	65	
Total Expenditures and Expenditure Adjustments	\$ 1,117	\$ 1,381	\$ 1,381	\$ 1,381	\$ 1,381	\$ 1,381	\$ 1,381	\$ 1,381	\$ 1,381	\$ 1,381	
Net difference between total Rev and total Exp	\$ 609	\$ (87)	\$ 83	\$ 151	\$ (783)	\$ 23	\$ 59	\$ (1,479)	\$ 30	\$ 96	
FUND BALANCE	\$ 609	\$ (87)	\$ 83	\$ 151	\$ (783)	\$ 23	\$ 59	\$ (1,479)	\$ 30	\$ 96	
Fund Balance Percent	54.52%	-6.30%	5.99%	10.91%	-56.70%	1.69%	4.27%	-107.10%	2.15%	6.92%	
Note: All revenue and expenditure data are for estimate purposes only and subject to change.											

Wastewater Operator Certification Program Fee Schedules

Fee Projections: 25% Fee Increase
(rounded to the nearest whole dollar)

Operator Examinations			Operator Re-Examination	
(Application Processing and Examination Fees Combined)				
Grade	Current	Proposed	Current	Proposed
I	\$120	\$151	\$85	\$107
II	\$155	\$194	\$110	\$137
III	\$295	\$369	\$230	\$287
IV	\$365	\$456	\$295	\$369
V	\$365	\$456	\$295	\$369

Operator Certification Operators With a Single Certificate			Operator Certification Operators With a Multiple Certificates	
Operators and Operators-in-Training				
Grade	Current	Proposed	Current	Proposed
I	\$125	\$156	\$95	\$119
II	\$170	\$213	\$125	\$156
III	\$225	\$281	\$170	\$213
IV	\$255	\$319	\$190	\$238
V	\$255	\$319	\$190	\$238

Operator Certification Triennial Renewal Operators With a Single Certificate			Operator Certification Triennial Renewal Operators With a Multiple Certificates	
Operators and Operators-in-Training				
Grade	Current	Proposed	Current	Proposed
All Grades	\$150	\$188	\$110	\$138

Provisional Operator		
	Current	Proposed
Certification	\$125	No change, the WWOCP has never received a request.
Operator Owner Request	\$1,000	

Contract Operator		
	Current	Proposed
Initial Registration Fee/ Annual Renewal Fee	\$350	\$438
Credential Fee/ Annual Renewal Fee (per operator employed)	\$75	\$94
MAXIMUM – in combined registration and employee registration fees (initial or renewal)	\$1,500	\$1,875

Exemption for Class I Wastewater Treatment Plants		
	Current	Proposed
Application Fee	\$800	\$1,000
Annual Renewal Fee	\$300	\$375

Misc. Fees		
	Current	Proposed
Replacement Fees (lost/stolen/damaged/destroyed)	\$50	\$63
Certification Reinstatement (all grades)	\$100	\$125
Renewal Late Fee	\$100	\$125
Examination Waiver (in addition to certification fee)	\$100	\$125

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Open Discussion and Questions