

Frequently Asked Questions for the July 1, 2010 Fee Changes

1. How were fees set in the past?

Prior to 2002, the Virginia Department of Health (VDH) charged \$75.00 to process onsite sewage applications and \$40.00 to process applications to construct water supplies as provided by Title 32.1 of the *Code of Virginia*. From 2002 through 2008, the executive and legislative branches of government (as approved by the budget bills) allowed the VDH to charge an additional \$37.50 to the fees set in the *Code of Virginia*. In 2008, the General Assembly approved increased fees for various services.

2. Why did the fees increase?

The Virginia Department of Health (VDH) is implementing its portion of the appropriations act of the budget bill. During the 2010 General Assembly session, the executive branch asked VDH whether its fees accurately reflected the cost of service delivery. After a detailed review, the VDH calculated that its fees did not reflect the cost of service delivery. VDH suggested fees that better reflected its cost to process applications. Following the public comment process and debate about the Commonwealth's biennial budget during the 2010 General Assembly session, the General Assembly and Governor approved a fee increase to process certain applications.

The fees also reflect recommendations from E.L. Hamm & Associates, a private consulting firm which reviewed the VDH's business model in environmental health in 2006, as well as the Authorized Onsite Soil Evaluator advisory committee. This advisory group to the State Health Commissioner consists of private and public sector stakeholders who work in the onsite sewage and water supply industry. Both the AOSE advisory committee and E.L. Hamm & Associates recommended that the VDH change its fee structure to more closely resemble its true cost of service delivery because they felt the VDH was undercutting competitive market forces if it continued to charge below fair-market user fees for its services.

3. What are the services that I can expect with my payment?

Your application fee to VDH:

- maintains a perpetual record of your files at the local health department for future reference
- assures that VDH can monitor the work of private sector professionals
- allows VDH to perform site and soil evaluations and provide expert opinions on design and construction issues
- allows VDH to inspect the construction of water wells and sewage systems
- provides programmatic oversight of the operation and maintenance of alternative onsite sewage systems

4. Is the VDH environmental program run efficiently?

As part of VDH's effort to determine whether the fees are reasonable, the VDH looked at what other stakeholders and states charge for similar services. VDH found that the fees which take effect on July 1 are less than or comparable to charges for similar services in North Carolina and Maryland as well as what private service providers in Virginia charge.

5. If I would like to comment on the services rendered, who should I speak to?

Understanding that people expect quality service for the fees we charge, the VDH wants to hear from you about your experiences. Please contact the Environmental Health Manager at (804) 748-1610.

6. Why does it cost more for VDH to process a certification letter with supporting private sector work than for a construction permit with supporting work?

Certification letters do not expire and transfer with the property upon sale. Long-term costs of certification letters can exceed construction permits (e.g., reconciling certification approvals with future changes in regulations). Because certification letters do not expire, VDH may take a closer look at these types of applications compared to construction permits. Certification letters also include well proposals that are not part of proposals for construction permits for sewage systems.