

**On-site Wastewater Treatment
Research Council**

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January 1989

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Background and Focus

Creation and Powers

Most homes and businesses are hooked up to publicly owned and operated sewage systems. However, where these facilities are not available, sewage is disposed of at the location where it is produced. Systems designed for this type of waste disposal are called on-site wastewater treatment systems. The most common type of on-site wastewater treatment system is the septic tank. Not all types of terrain are suitable for septic systems. For instance, soils that are primarily clay do not always provide adequate drainage. Engineers have developed alternatives for some of those circumstances where traditional septic systems are not appropriate.

The Texas Association of Builders reports that alternatives to septic tanks have not gained wide acceptance in some areas. County officials, as well as other local officials, can choose to regulate on-site disposal systems. These officials have not always been willing to issue permits for systems other than traditional septic tanks.

Interviews indicated that the On-site Wastewater Treatment Research Council was established to help gain wider acceptance and use of alternatives of septic tanks. The council was established in 1987 during the second called session of the 70th Legislature. The council's primary purpose was to fund research that would help demonstrate and develop alternative waste disposal systems. Results of the research were to be passed along to county and other local officials and other users of waste disposal technology.

An early version of House Bill 32, the bill creating the council, gave the agency a 12-year sunset date of 1999. The final version of the bill was amended to give the council a two-year sunset date of 1989.

Policy-making Structure

The council is composed of 11 members appointed by the governor from various groups interested in or related to on-site wastewater treatment systems. The council members serve for two-year staggered terms. Seven members have been appointed to the council. Each year, the council is required to elect one of its members as chair. Because the appointment of the full council has not been completed, a chairman has not been elected.

Funding and Organization

Funding for the council comes from the collection of a \$10 fee for each on-site wastewater treatment permit that local governments issue. Currently, according to the Texas Department of Health, 84 counties, 31 cities, seven river authorities, five public health departments, and seven special districts issue these permits. The money collected is deposited in the state treasury in the On-site Wastewater Treatment Research Account. Fees have been collected since November 1987. As of October 31, 1988, the account balance was \$144,070. However, the legislature made no appropriation to the council so no funds have been spent.

The bill setting up the council authorizes it to contract with the Texas Department of Health for administrative support. TDH also collects the fees on behalf of the council. To date no contract has been negotiated since no funds are appropriated. The department has devoted some staff time to developing the system for collecting permit fees and to accounting for those funds.

Programs and Functions

The council is authorized to award competitive grants to support applied research at accredited colleges and universities. According to the statute, the studies have to concern on-site wastewater treatment technology and systems applicable to Texas. Also, the research has to be directed toward improving the quality of wastewater treatment and reducing the cost of providing wastewater treatment to consumers. Finally, the statute directs the council to disseminate information about new on-site wastewater treatment technology. To accomplish this function the council is authorized to conduct educational courses, seminars, symposia, publications, and other forms of information dissemination. Since the legislature appropriated no funds to the council, the agency has not awarded any grants or undertaken any activities to spread information on new on-site treatment technologies.

Focus of Review

The review of the On-site Wastewater Treatment Research Council focused on the continuing need for the council to award grants for research projects concerning on-site wastewater treatment technology, and to distribute information regarding new technology. A number of activities were undertaken by the staff to gain a better understanding of the council and its purposes. These activities included:

- ▶ interviews with staff of the Texas Department of Health, Texas Water Commission and Comptroller's Office;
- ▶ interviews with council members and individuals supporting the bill that created the council; and
- ▶ review of the history regarding the creation and funding of the council.

These activities provided a basic understanding of the purpose and objectives for which the council was created.

The review concluded that the council, established in 1987 with a two-year sunset date, was created primarily to demonstrate the practicality of alternatives to traditional septic systems. This was to be done through research and subsequent distribution of research findings to permitting officials and users of disposal technology. The council was not intended to be an ongoing agency after this purpose was accomplished. To date, the council has been unable to accomplish this purpose because the fees it collects were not appropriated for its use. The review concluded that the On-site Wastewater Treatment Research Council should be continued until September 1, 1992, at which time it should cease operations. This approach gives the council three years to accomplish its specific purpose. During this period the legislature and governor should appropriate to the council the permit fees it collects.

Findings and Recommendations

ISSUE 1: The council should be appropriated funds to carry out its purpose, be continued for three years, and then cease operations on September 1, 1992.

BACKGROUND

The On-site Wastewater Treatment Research Council was created in 1987. The bill creating the council authorizes the council to contract with the Texas Department of Health for administrative purposes.

On-site wastewater disposal systems are systems to dispose of sewage not exceeding 5,000 gallons a day at the location where it is produced. Septic tanks are the most common on-site wastewater disposal system. Counties, cities, river authorities, public health departments and special districts can choose to regulate these disposal systems through permits. In addition, the state has the option of regulating these systems where local officials do not. Beginning in September 1989, the state's regulation in areas not regulated locally will become mandatory.

The statute setting up the On-site Wastewater Treatment Research Council authorizes the council to award grants for researching on-site disposal systems and to disseminate the results. In addition, the statute authorizes the council to collect \$10 for each on-site wastewater treatment permit issued.

The review of the operations of the council indicated the following:

- ▶ Instead of the normal 12 year sunset date, the legislature gave the council a two-year sunset date of 1989.
- ▶ The Association of Builders and two council members indicate that the council was created primarily to solve a specific problem related to permitting. Local permitting officials are at times unwilling to issue permits for on-site wastewater systems other than traditional septic systems. However, in some circumstances alternatives to the traditional system are more appropriate. The council was to fund research to demonstrate the feasibility of alternatives and then to disseminate the results to permitting officials.
- ▶ The amount of time needed to accomplish the research task is unknown.
- ▶ Interviews indicate that pollution could be prevented if alternatives are used in place of septic tanks. The extent of the pollution resulting from the improper use of septic systems is unknown. TDH estimates that some 25 percent of septic systems fail, though reasons for failure do not necessarily trace back to the improper use of septic tanks.
- ▶ As of December 1988, the status of council activities is as follows:
 - the agency has collected in excess of \$144,000 in permit fees;
 - seven of 11 council members have been appointed by the governor;
 - no grants have been awarded or meetings held because the agency received no appropriation from the 70th Legislature in 1987.

- ▶ Various universities, such as the University of Texas and Texas A&M, have water research institutes that could carry out the type of demonstration research to be funded by the council. Currently, no accredited college or university in the state is doing research in the specific area of on-site wastewater treatment systems.
- ▶ The amount of money needed to fund the type of project that the council was created to fund is unknown. Interviews indicate that research projects rarely cost less than \$50,000 and can run into the millions. Very preliminary indications are that a demonstration project of this nature could cost in the neighborhood of \$150,000 and up.

PROBLEM

The council has a sunset date of September 1989. It was created for the specific purpose of demonstrating the feasibility of alternative disposal systems, and after accomplishing this objective it is reasonable that the agency cease to exist. However, money earmarked and collected for the achievement of this purpose has not been appropriated to the council, and therefore no grants have been awarded.

RECOMMENDATION

The following actions are recommended for the council:

- the statute should be changed to give the council until September 1, 1992, to complete its work and cease operations;
- the statute should require the Texas Department of Health to monitor the grants that continue to run after the council ceases operations;
- as a management recommendation, the legislature and the governor should make appropriations to the agency out of the fees it collects.

This approach gives the council three years from September 1989 to accomplish its purpose of demonstrating that feasible alternatives to septic systems exist. The actual amount of time needed to make this demonstration is unknown, although three years has been criticized as too short. A three-year period would motivate the council to quickly organize and award its research grants. The council would also have the opportunity to extend its abolition date in the legislative session in 1991 if unforeseen problems arise. In addition, projects started by the council would not necessarily have to end with the council. Grants could continue in operation until funds have been expended, with monitoring by the Texas Department of Health. If universities determined projects started by the council to be worthwhile, they could also seek funding directly from the legislature. The legislature commonly funds research in this way.

FISCAL IMPACT

Fees collected by the council would be appropriated for its use. As of October 1988 after approximately one year of collection activity, fees collected amounted to \$144,070.