

**Virginia Department of Health (VDH)**  
**HB 888 Draft Hardship Guidelines Stakeholder Meeting Summary**

**Date:** December 7, 2018  
**Time:** 10:00 am to 12:00 pm  
**Location:** Glens Campus of the Rappahannock Community College  
12745 College Drive, Glens, VA 23149

Attendees

Carl Peacock	Amy Pemberton	Lewie Lawrence	David Fridley
Brian Hancock	Mike McMahan	Lance Gregory	

1. Welcome and Introductions

Mr. Gregory welcomed attendees to the meeting and discussed that the purpose of the meeting was get feedback on the first draft of the hardship guidelines to assist in revisions for a second draft.

2. Background – House Bill 888

Mr. Gregory provided a brief background on House Bill 888 which directs VDH to transition onsite sewage system and private well evaluations and designs to the private sector. As part of the transition, VDH is directed to develop hardship guidelines where property owners can receive evaluation and design services as a provider of last resort.

3. Presentation on Draft Hardship Guidelines

Mr. Gregory walked through the attached presentation regarding the first draft hardship guidelines.

4. Open Discussion – Comments and Suggestions

Attendees provided comments and suggestions for improving the hardship guidelines throughout the presentation. Comments and suggestions included:

- Need to clarify what “availability means”.
- Cost is a hidden issue.
- Private sector providers may not be willing to work for everyone.
- Regarding the further consideration section, if the owners income is \$1 more than the means testing/hardship, then would they qualify for further consideration?
- Don’t believe local health departments have implemented the safe, adequate, and proper policy.
- Has VDH considered subcontracting bare applications to the private sector?

- Could VDH do an evaluation on the disparities in the septic regulations in the Chesapeake Bay versus Southwest Virginia, and how that impacts the growth of the private sector? Those disparities give Southwest Virginia a financial advantage over rural areas in Eastern Virginia.
- VDH needs to recognize regulatory/cost disparities for within the Chesapeake Bay watershed.
- Need to put funding in the Chesapeake Bay Watershed Implementation Plan; need more funding from Planning District Commissions.
- VDH needs to meet with the Virginia Association of Counties to discuss the draft hardship guidelines.

#### 5. Next Steps – Future Opportunities for Stakeholder Input

Mr. Gregory commented that VDH plans to publish a second draft of the hardship guidelines in January which will be posted on the [www.townhall.virginia.gov](http://www.townhall.virginia.gov) website. VDH may also hold additional stakeholder meetings or a webinar to allow for further input.

**Adjourn**

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**Virginia Department of Health  
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12745 College Drive, Glenns, VA 23149  
Agenda**

1. Welcome and Introductions
2. Background – House Bill 888
3. Presentation on Draft Hardship Guidelines
4. Open Discussion – Comments and Suggestions
5. Next Steps – Future Opportunities for Stakeholder Input

A copy of the draft hardship guidelines can be found at <http://www.vdh.virginia.gov/environmental-health/onsite-sewage-water-services-updated/news-of-interest/>

# House Bill 888: Draft Hardship Guidelines

Lance Gregory

Director

Division of Onsite Sewage and Water Services,  
Environmental Engineering, and Marina Program

# Background

- By July 1, 2019, establish guidelines to maintain the Department as a provider of last resort for:
  - 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.
  - Guidelines shall include considerations for hardships based on (i) the availability of properly licensed service providers working within a locality or region, (ii) the disciplinary history of private sector providers, and (iii) the cost of private sector services.

# FY 2018: Private Sector Participation

- 252 OSEs/PEs submitting at least 1 app in FY 2018.
- Submitted 8,205 total designs in FY 2018; 32.56 per OSE/PE.
- 7,185 Bare application in FY 2018.
- 28.5 additional bare apps per OSE/PE to cover; 88% increase in workload.
- 105 OSE/PEs do 90% of the work; average 70.33 designs each.
- 62 OSE/PE account for 75% of the work (99.2 per); and top 29 do 50% of the work (141 per).
- 146 OSEs/PEs do less than 20 designs per year.

# Means Testing and Hardship Guidelines

- Develop hardship guidelines.
- First draft: November 1, 2018.
- RedCap Survey
- Second draft: proposed January 4, 2018.
- Public comment period.
- Final due July 1, 2019.
- Tentative – regional meetings to discuss.

# Exclusions

- The following services are excluded from means testing and hardship guidelines.
  - Voluntary upgrades
  - Certification letters
  - Subdivision evaluations
  - New onsite sewage systems not for a principal place of residence
  - Non-residential onsite sewage systems
  - Onsite sewage systems that will use over 1,000 gallons per day
  - Alternative onsite sewage systems
  - Alternative discharging sewage systems
  - Onsite sewage system designs that require a professional engineer



# Means Testing Starting 7/1/19

<b>Family Size</b>	<b>400% FPG 7/1/19 to 6/30/20</b>	<b>300% FPG 7/1/20 to 6/30/21</b>	<b>200% FPG 7/1/21 to 6/30/22</b>	<b>100% FPG 7/1/22 to 6/30/23</b>
<b>1</b>	\$48,560	\$36,420	\$24,280	\$12,140
<b>2</b>	\$65,840	\$49,380	\$32,920	\$16,460
<b>3</b>	\$83,120	\$62,340	\$41,560	\$20,780
<b>4</b>	\$100,400	\$75,300	\$50,200	\$25,100
<b>5</b>	\$117,680	\$88,260	\$58,840	\$29,420
<b>6</b>	\$134,960	\$101,220	\$67,480	\$33,740
<b>7</b>	\$152,240	\$114,180	\$76,120	\$38,060
<b>8</b>	\$169,520	\$127,140	\$84,760	\$42,380

# Ongoing Income Eligibility

- Owners eligible to receive a fee waiver pursuant to 12VAC5-620-80.A.
- Owners with income below 200 percent of the federal poverty guidelines for a pit privy or for a repair of a failing onsite sewage system.
- Determination of eligibility for a hardship based on income follows the same procedure as the determination of income eligibility for fee waivers (see GMP 2016-02).

# Wells

- Replacement wells.
- Well abandonments.



# Number of Private Sector Service Providers

$$(P \times A)1.25 - W = X$$

P = Number of private sector providers that submitted at least five evaluations and designs within the locality over the previous fiscal year.

A = Average number of evaluations and designs per private sector provider submitted within the region over the previous fiscal year. (A map showing the specific regions is provided below; Map 1.)

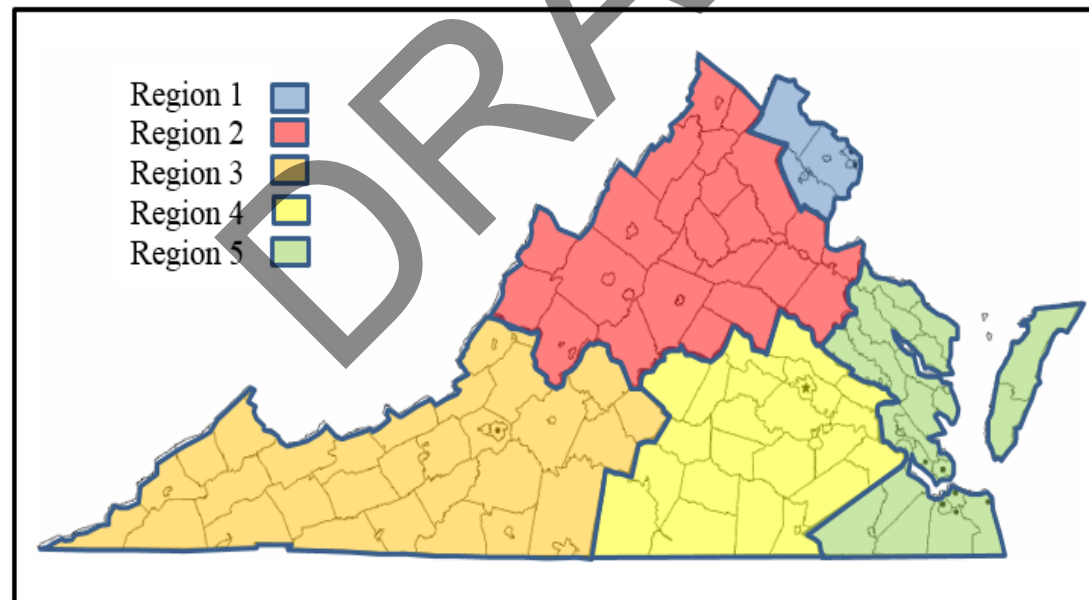
1.25 = Private sector growth factor.

W = Total number of private sector evaluations and designs submitted within the locality over the previous fiscal year.

X = Estimated number of additional evaluations and designs that could be provided by the private sector.

# Number of Private Sector Service Providers

- Locality with fewer than two private sector providers determined to have an insufficient number of private sector providers.
- Localities receiving 10 or fewer total applications.





# Availability of Private Sector Service Providers

- 15 business days for:
  - New onsite sewage systems serving.
  - New private wells.
  - SAPs
- 5 business days fore repairs.
- Owners must contact at least two private sector providers and provide the names.

# Further Considerations

- May petition the District Health Director for further consideration.
- The District Health Director may delegate to the District Environmental Health Manager.
- Reviewed on a case-by-case basis.

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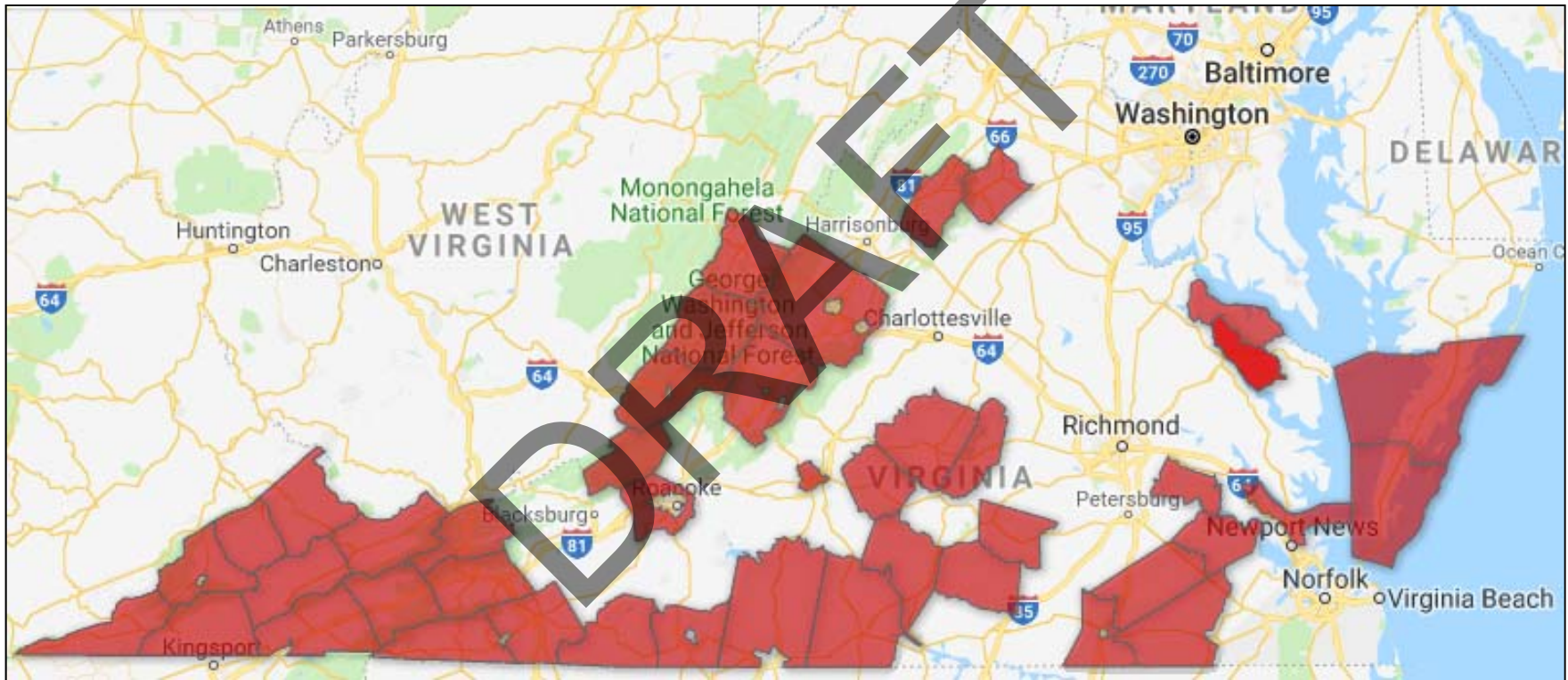
# Annual Review

- Recommendations from SHADAC and stakeholders.
- Analysis of requests for income eligibility criteria.
- Analysis of the estimated number of additional evaluations and designs that could be provided by the private sector.
- Analysis of “further considerations”.
- Analysis of the percent AOSS and COSS designs.
- Surveys regarding the cost of private sector services.

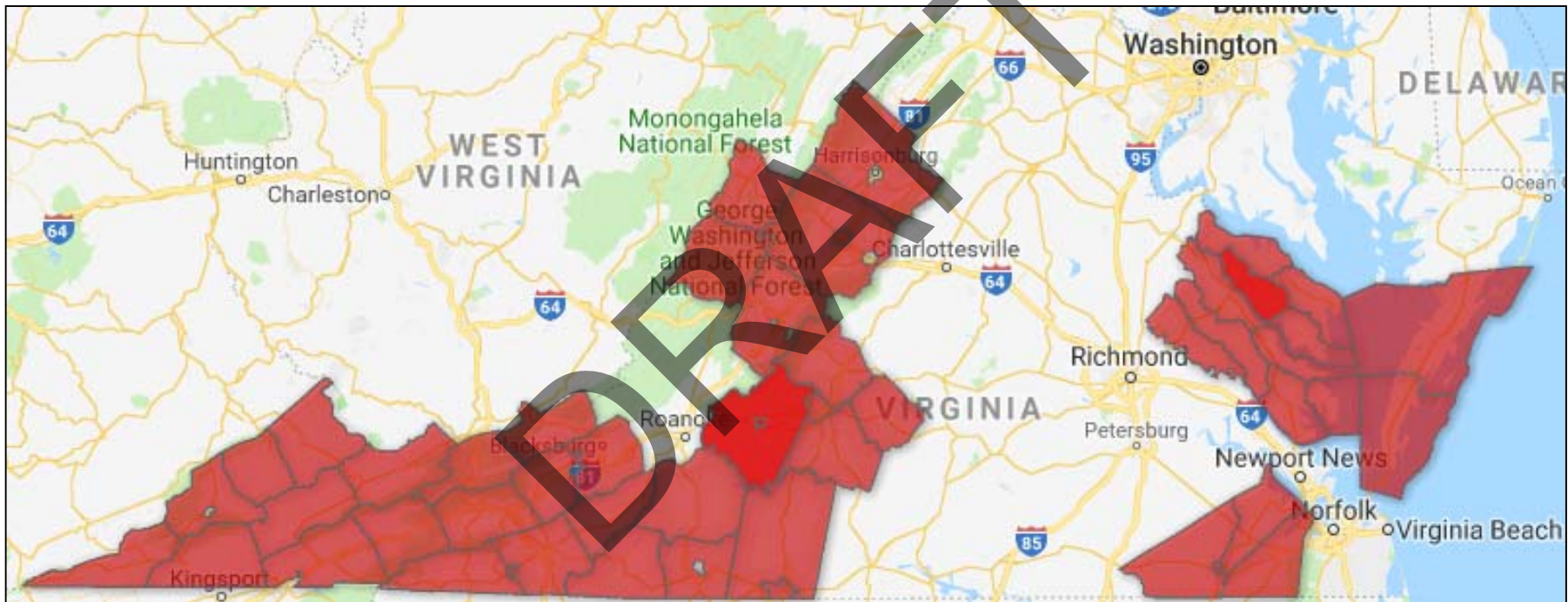
# New Fees Starting 7/1/19

- Current fees stay the same (new construction, etc.).
- Repairs - \$425 bare app; \$225 with OSE/PE.
  - For less than 1,000 gpd.
  - Fee waived for anyone below 200% of FPG.
  - \$1,400 for designs more than 1,000 gpd.
- Voluntary Upgrades - \$225 with OSE/PE (no bare apps).
  - For less than 1,000 gpd.
  - Fee waived for anyone below 200% FPG.
  - \$1,400 for designs more than 1,000 gpd.
- SAP - \$150 bare app; \$100 with private work.
  - See §32.1-165 for list of private sector providers.

# Hardship Map: As Drafted



# Hardship Map: Calculated By District



# Increasing Growth Factor to 1.5

- Adds 587 new application, 4303 total (59.89% of bare) .
- Add: Alleghany, Augusta, Charles City, Greensville, Lunenburg, Northampton, Nottoway, Page, Rappahannock, Surry, Sussex

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# Increasing Growth Factor to 1.75

- 652 additional; 4368 total (60.79% of bare).
- Adds: Alleghany, Augusta, Charles City, **Grayson**, Greensville, Lunenburg, Northampton, Nottoway, Page, Rappahannock, **Richmond**, Surry, Sussex.

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# Increasing Growth Factor to 2.0

- 771 additional; 4487 total (62.45% of bare)
- Adds: Alleghany, Augusta, Charles City, Grayson, Greensville, Lunenburg, Northampton, Nottoway, Page, Rappahannock, Richmond, **Rockbridge**, **Scott**, Surry, Sussex.

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# Hardship Map: 1+ Design





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## Questions?

Thank you all for signing up for the VDH service provider website. If you haven't done so, I would encourage you to do so.