

AMENDED IN ASSEMBLY MARCH 24, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 2900

Introduced by Assembly Member La Malfa

February 22, 2008

An act to amend Section 13385 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2900, as amended, La Malfa. Water quality: civil penalties.

Under existing law, the State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements in accordance with the federal Clean Water Act and the Porter-Cologne Water Quality Control Act (act). The act, with certain exceptions, imposes a mandatory minimum penalty of \$3,000 for each serious waste discharge violation, as defined, or for certain other described violations if those violations occur 4 or more times in any period of 6 consecutive months, as prescribed.

This bill would require *mandatory* civil penalties imposed administratively pursuant to these provisions by the state board or a regional board to be imposed within 12 months of learning of a violation, and *mandatory* civil penalties petitioned to a superior court by the Attorney General to be requested by a regional board or the state board within 12 months of learning of a violation.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 13385 of the Water Code is amended to read:

13385. (a) Any person who violates any of the following shall be liable civilly in accordance with this section:

(1) Section 13375 or 13376.

(2) Any waste discharge requirements or dredged or fill material permit issued pursuant to this chapter or any water quality certification issued pursuant to Section 13160.

(3) Any requirements established pursuant to Section 13383.

(4) Any order or prohibition issued pursuant to Section 13243 or Article 1 (commencing with Section 13300) of Chapter 5, if the activity subject to the order or prohibition is subject to regulation under this chapter.

(5) Any requirements of Section 301, 302, 306, 307, 308, 318, 401, or 405 of the Clean Water Act, as amended.

(6) Any requirement imposed in a pretreatment program approved pursuant to waste discharge requirements issued under Section 13377 or approved pursuant to a permit issued by the administrator.

(b) (1) Civil liability may be imposed by the superior court in an amount not to exceed the sum of both of the following:

(A) Twenty-five thousand dollars (\$25,000) for each day in which the violation occurs.

(B) Where there is a discharge, any portion of which is not susceptible to cleanup or is not cleaned up, and the volume discharged but not cleaned up exceeds 1,000 gallons, an additional liability not to exceed twenty-five dollars (\$25) multiplied by the number of gallons by which the volume discharged but not cleaned up exceeds 1,000 gallons.

(2) The Attorney General, upon request of a regional board or the state board ~~within 12 months of the regional board or the state board learning of a violation~~, shall petition the superior court to impose the liability.

(c) Civil liability may be imposed administratively by the state board or a regional board pursuant to Article 2.5 (commencing with Section 13323) of Chapter 5 ~~within 12 months of the state board or the regional board learning of a violation~~ in an amount not to exceed the sum of both of the following:

1 (1) Ten thousand dollars (\$10,000) for each day in which the
2 violation occurs.

3 (2) Where there is a discharge, any portion of which is not
4 susceptible to cleanup or is not cleaned up, and the volume
5 discharged but not cleaned up exceeds 1,000 gallons, an additional
6 liability not to exceed ten dollars (\$10) multiplied by the number
7 of gallons by which the volume discharged but not cleaned up
8 exceeds 1,000 gallons.

9 (d) For purposes of subdivisions (b) and (c), “discharge”
10 includes any discharge to navigable waters of the United States,
11 any introduction of pollutants into a publicly owned treatment
12 works, or any use or disposal of sewage sludge.

13 (e) In determining the amount of any liability imposed under
14 this section, the regional board, the state board, or the superior
15 court, as the case may be, shall take into account the nature,
16 circumstances, extent, and gravity of the violation or violations,
17 whether the discharge is susceptible to cleanup or abatement, the
18 degree of toxicity of the discharge, and, with respect to the violator,
19 the ability to pay, the effect on its ability to continue its business,
20 any voluntary cleanup efforts undertaken, any prior history of
21 violations, the degree of culpability, economic benefit or savings,
22 if any, resulting from the violation, and other matters that justice
23 may require. At a minimum, liability shall be assessed at a level
24 that recovers the economic benefits, if any, derived from the acts
25 that constitute the violation.

26 (f) (1) Except as provided in paragraph (2), for the purposes of
27 this section, a single operational upset that leads to simultaneous
28 violations of more than one pollutant parameter shall be treated
29 as a single violation.

30 (2) (A) For the purposes of subdivisions (h) and (i), a single
31 operational upset in a wastewater treatment unit that treats
32 wastewater using a biological treatment process shall be treated
33 as a single violation, even if the operational upset results in
34 violations of more than one effluent limitation and the violations
35 continue for a period of more than one day, if all of the following
36 apply:

37 (i) The discharger demonstrates all of the following:

38 (I) The upset was not caused by wastewater treatment operator
39 error and was not due to discharger negligence.

(II) But for the operational upset of the biological treatment process, the violations would not have occurred nor would they have continued for more than one day.

(III) The discharger carried out all reasonable and immediately feasible actions to reduce noncompliance with the applicable effluent limitations.

(ii) The discharger is implementing an approved pretreatment program, if so required by federal or state law.

(B) Subparagraph (A) only applies to violations that occur during a period for which the regional board has determined that violations are unavoidable, but in no case may that period exceed 30 days.

(g) Remedies under this section are in addition to, and do not supersede or limit, any other remedies, civil or criminal, except that no liability shall be recoverable under Section 13261, 13265, 13268, or 13350 for violations for which liability is recovered under this section.

(h) (1) Notwithstanding any other provision of this division, and except as provided in subdivisions (j), (k), and (l), a mandatory minimum penalty of three thousand dollars (\$3,000) shall be assessed for each serious violation.

(2) For the purposes of this section, a “serious violation” means any waste discharge that violates the effluent limitations contained in the applicable waste discharge requirements for a Group II pollutant, as specified in Appendix A to Section 123.45 of Title 40 of the Code of Federal Regulations, by 20 percent or more or for a Group I pollutant, as specified in Appendix A to Section 123.45 of Title 40 of the Code of Federal Regulations, by 40 percent or more.

(i) (1) Notwithstanding any other provision of this division, and except as provided in subdivisions (j), (k), and (l), a mandatory minimum penalty of three thousand dollars (\$3,000) shall be assessed for each violation whenever the person does any of the following four or more times in any period of six consecutive months, except that the requirement to assess the mandatory minimum penalty shall not be applicable to the first three violations:

(A) Violates a waste discharge requirement effluent limitation.

(B) Fails to file a report pursuant to Section 13260.

(C) Files an incomplete report pursuant to Section 13260.

1 (D) Violates a toxicity effluent limitation contained in the
2 applicable waste discharge requirements where the waste discharge
3 requirements do not contain pollutant-specific effluent limitations
4 for toxic pollutants.

5 (2) For the purposes of this section, a “period of six consecutive
6 months” means the period commencing on the date that one of the
7 violations described in this subdivision occurs and ending 180
8 days after that date.

9 (j) Subdivisions (h) and (i) do not apply to any of the following:

10 (1) A violation caused by one or any combination of the
11 following:

12 (A) An act of war.

13 (B) An unanticipated, grave natural disaster or other natural
14 phenomenon of an exceptional, inevitable, and irresistible
15 character, the effects of which could not have been prevented or
16 avoided by the exercise of due care or foresight.

17 (C) An intentional act of a third party, the effects of which could
18 not have been prevented or avoided by the exercise of due care or
19 foresight.

20 (D) (i) The operation of a new or reconstructed wastewater
21 treatment unit during a defined period of adjusting or testing, not
22 to exceed 90 days for a wastewater treatment unit that relies on a
23 biological treatment process and not to exceed 30 days for any
24 other wastewater treatment unit, if all of the following requirements
25 are met:

26 (I) The discharger has submitted to the regional board, at least
27 30 days in advance of the operation, an operations plan that
28 describes the actions the discharger will take during the period of
29 adjusting and testing, including steps to prevent violations and
30 identifies the shortest reasonable time required for the period of
31 adjusting and testing, not to exceed 90 days for a wastewater
32 treatment unit that relies on a biological treatment process and not
33 to exceed 30 days for any other wastewater treatment unit.

34 (II) The regional board has not objected in writing to the
35 operations plan.

36 (III) The discharger demonstrates that the violations resulted
37 from the operation of the new or reconstructed wastewater
38 treatment unit and that the violations could not have reasonably
39 been avoided.

1 (IV) The discharger demonstrates compliance with the
2 operations plan.

3 (V) In the case of a reconstructed wastewater treatment unit,
4 the unit relies on a biological treatment process that is required to
5 be out of operation for at least 14 days in order to perform the
6 reconstruction, or the unit is required to be out of operation for at
7 least 14 days and, at the time of the reconstruction, the cost of
8 reconstructing the unit exceeds 50 percent of the cost of replacing
9 the wastewater treatment unit.

10 (ii) For the purposes of this section, “wastewater treatment unit”
11 means a component of a wastewater treatment plant that performs
12 a designated treatment function.

13 (2) (A) Except as provided in subparagraph (B), a violation of
14 an effluent limitation where the waste discharge is in compliance
15 with either a cease and desist order issued pursuant to Section
16 13301 or a time schedule order issued pursuant to Section 13300,
17 if all of the following requirements are met:

18 (i) The cease and desist order or time schedule order is issued
19 after January 1, 1995, but not later than July 1, 2000, specifies the
20 actions that the discharger is required to take in order to correct
21 the violations that would otherwise be subject to subdivisions (h)
22 and (i), and the date by which compliance is required to be achieved
23 and, if the final date by which compliance is required to be
24 achieved is later than one year from the effective date of the cease
25 and desist order or time schedule order, specifies the interim
26 requirements by which progress towards compliance will be
27 measured and the date by which the discharger will be in
28 compliance with each interim requirement.

29 (ii) The discharger has prepared and is implementing in a timely
30 and proper manner, or is required by the regional board to prepare
31 and implement, a pollution prevention plan that meets the
32 requirements of Section 13263.3.

33 (iii) The discharger demonstrates that it has carried out all
34 reasonable and immediately feasible actions to reduce
35 noncompliance with the waste discharge requirements applicable
36 to the waste discharge and the executive officer of the regional
37 board concurs with the demonstration.

38 (B) Subdivisions (h) and (i) shall become applicable to a waste
39 discharge on the date the waste discharge requirements applicable
40 to the waste discharge are revised and reissued pursuant to Section

1 13380, unless the regional board does all of the following on or
2 before that date:

3 (i) Modifies the requirements of the cease and desist order or
4 time schedule order as may be necessary to make it fully consistent
5 with the reissued waste discharge requirements.

6 (ii) Establishes in the modified cease and desist order or time
7 schedule order a date by which full compliance with the reissued
8 waste discharge requirements shall be achieved. For the purposes
9 of this subdivision, the regional board may not establish this date
10 later than five years from the date the waste discharge requirements
11 were required to be reviewed pursuant to Section 13380. If the
12 reissued waste discharge requirements do not add new effluent
13 limitations or do not include effluent limitations that are more
14 stringent than those in the original waste discharge requirements,
15 the date shall be the same as the final date for compliance in the
16 original cease and desist order or time schedule order or five years
17 from the date that the waste discharge requirements were required
18 to be reviewed pursuant to Section 13380, whichever is earlier.

19 (iii) Determines that the pollution prevention plan required by
20 clause (ii) of subparagraph (A) is in compliance with the
21 requirements of Section 13263.3 and that the discharger is
22 implementing the pollution prevention plan in a timely and proper
23 manner.

24 (3) A violation of an effluent limitation where the waste
25 discharge is in compliance with either a cease and desist order
26 issued pursuant to Section 13301 or a time schedule order issued
27 pursuant to Section 13300 or 13308, if all of the following
28 requirements are met:

29 (A) The cease and desist order or time schedule order is issued
30 on or after July 1, 2000, and specifies the actions that the discharger
31 is required to take in order to correct the violations that would
32 otherwise be subject to subdivisions (h) and (i).

33 (B) The regional board finds that, for one of the following
34 reasons, the discharger is not able to consistently comply with one
35 or more of the effluent limitations established in the waste
36 discharge requirements applicable to the waste discharge:

37 (i) The effluent limitation is a new, more stringent, or modified
38 regulatory requirement that has become applicable to the waste
39 discharge after the effective date of the waste discharge
40 requirements and after July 1, 2000, new or modified control

1 measures are necessary in order to comply with the effluent
2 limitation, and the new or modified control measures cannot be
3 designed, installed, and put into operation within 30 calendar days.

4 (ii) New methods for detecting or measuring a pollutant in the
5 waste discharge demonstrate that new or modified control measures
6 are necessary in order to comply with the effluent limitation and
7 the new or modified control measures cannot be designed, installed,
8 and put into operation within 30 calendar days.

9 (iii) Unanticipated changes in the quality of the municipal or
10 industrial water supply available to the discharger are the cause
11 of unavoidable changes in the composition of the waste discharge,
12 the changes in the composition of the waste discharge are the cause
13 of the inability to comply with the effluent limitation, no alternative
14 water supply is reasonably available to the discharger, and new or
15 modified measures to control the composition of the waste
16 discharge cannot be designed, installed, and put into operation
17 within 30 calendar days.

18 (iv) The discharger is a publicly owned treatment works located
19 in Orange County that is unable to meet effluent limitations for
20 biological oxygen demand, suspended solids, or both, because the
21 publicly owned treatment works meets all of the following criteria:

22 (I) Was previously operating under modified secondary
23 treatment requirements pursuant to Section 301(h) of the Clean
24 Water Act (33 U.S.C. Sec. 1311(h)).

25 (II) Did vote on July 17, 2002, not to apply for a renewal of the
26 modified secondary treatment requirements.

27 (III) Is in the process of upgrading its treatment facilities to
28 meet the secondary treatment standards required by Section
29 301(b)(1)(B) of the Clean Water Act (33 U.S.C. Sec.
30 1311(b)(1)(B)).

31 (C) The regional board establishes a time schedule for bringing
32 the waste discharge into compliance with the effluent limitation
33 that is as short as possible, taking into account the technological,
34 operational, and economic factors that affect the design,
35 development, and implementation of the control measures that are
36 necessary to comply with the effluent limitation. For the purposes
37 of this subdivision, the time schedule may not exceed five years
38 in length, except that the time schedule may not exceed 10 years
39 in length for the upgrade described in subclause (III) of clause (iv)
40 of subparagraph (B). If the time schedule exceeds one year from

1 the effective date of the order, the schedule shall include interim
2 requirements and the dates for their achievement. The interim
3 requirements shall include both of the following:

- 4 (i) Effluent limitations for the pollutant or pollutants of concern.
- 5 (ii) Actions and milestones leading to compliance with the
6 effluent limitation.

7 (D) The discharger has prepared and is implementing in a timely
8 and proper manner, or is required by the regional board to prepare
9 and implement, a pollution prevention plan pursuant to Section
10 13263.3.

11 *(4) A violation for which an action to impose liability is not*
12 *requested pursuant to subdivision (b) by a regional board or the*
13 *state board, or not imposed pursuant to subdivision (c), within 12*
14 *months of the regional board or the state board learning of the*
15 *violation.*

16 (k) (1) In lieu of assessing all or a portion of the mandatory
17 minimum penalties pursuant to subdivisions (h) and (i) against a
18 publicly owned treatment works serving a small community, the
19 state board or the regional board may elect to require the publicly
20 owned treatment works to spend an equivalent amount towards
21 the completion of a compliance project proposed by the publicly
22 owned treatment works, if the state board or the regional board
23 finds all of the following:

24 (A) The compliance project is designed to correct the violations
25 within five years.

26 (B) The compliance project is in accordance with the
27 enforcement policy of the state board, excluding any provision in
28 the policy that is inconsistent with this section.

29 (C) The publicly owned treatment works has prepared a
30 financing plan to complete the compliance project.

31 (2) For the purposes of this subdivision, “a publicly owned
32 treatment works serving a small community” means a publicly
33 owned treatment works serving a population of 10,000 persons or
34 fewer or a rural county, with a financial hardship as determined
35 by the state board after considering such factors as median income
36 of the residents, rate of unemployment, or low population density
37 in the service area of the publicly owned treatment works.

38 (l) (1) In lieu of assessing penalties pursuant to subdivision (h)
39 or (i), the state board or the regional board, with the concurrence
40 of the discharger, may direct a portion of the penalty amount to

1 be expended on a supplemental environmental project in
2 accordance with the enforcement policy of the state board. If the
3 penalty amount exceeds fifteen thousand dollars (\$15,000), the
4 portion of the penalty amount that may be directed to be expended
5 on a supplemental environmental project may not exceed fifteen
6 thousand dollars (\$15,000) plus 50 percent of the penalty amount
7 that exceeds fifteen thousand dollars (\$15,000).

8 (2) For the purposes of this section, a “supplemental
9 environmental project” means an environmentally beneficial project
10 that a person agrees to undertake, with the approval of the regional
11 board, that would not be undertaken in the absence of an
12 enforcement action under this section.

13 (3) This subdivision applies to the imposition of penalties
14 pursuant to subdivision (h) or (i) on or after January 1, 2003,
15 without regard to the date on which the violation occurs.

16 (m) The Attorney General, upon request of a regional board or
17 the state board, shall petition the appropriate court to collect any
18 liability or penalty imposed pursuant to this section. Any person
19 who fails to pay on a timely basis any liability or penalty imposed
20 under this section shall be required to pay, in addition to that
21 liability or penalty, interest, attorney’s fees, costs for collection
22 proceedings, and a quarterly nonpayment penalty for each quarter
23 during which the failure to pay persists. The nonpayment penalty
24 shall be in an amount equal to 20 percent of the aggregate amount
25 of the person’s penalty and nonpayment penalties that are unpaid
26 as of the beginning of the quarter.

27 (n) (1) Subject to paragraph (2), funds collected pursuant to
28 this section shall be deposited in the State Water Pollution Cleanup
29 and Abatement Account.

30 (2) (A) Notwithstanding any other provision of law, moneys
31 collected for a violation of a water quality certification in
32 accordance with paragraph (2) of subdivision (a) or for a violation
33 of Section 401 of the Clean Water Act (33 U.S.C. Sec. 1341) in
34 accordance with paragraph (5) of subdivision (a) shall be deposited
35 in the Waste Discharge Permit Fund and separately accounted for
36 in that fund.

37 (B) The funds described in subparagraph (A) shall be expended
38 by the state board, upon appropriation by the Legislature, to assist
39 regional boards, and other public agencies with authority to clean
40 up waste or abate the effects of the waste, in cleaning up or abating

1 the effects of the waste on waters of the state or for the purposes
2 authorized in Section 13443.

3 (o) The state board shall continuously report and update
4 information on its Internet Web site, but at a minimum, annually
5 on or before January 1, regarding its enforcement activities. The
6 information shall include all of the following:

7 (1) A compilation of the number of violations of waste discharge
8 requirements in the previous calendar year, including stormwater
9 enforcement violations.

10 (2) A record of the formal and informal compliance and
11 enforcement actions taken for each violation, including stormwater
12 enforcement actions.

13 (3) An analysis of the effectiveness of current enforcement
14 policies, including mandatory minimum penalties.

15 (p) The amendments made to subdivisions (f), (h), (i) and (j)
16 during the second year of the 2001–02 Regular Session apply only
17 to violations that occur on or after January 1, 2003.