

# Concentrated Animal Feeding Operations (CAFO)

## Focus on: Annual Water Quality Permit Fees

This Focus Sheet provides information about proposed changes to the CAFO Fee Schedule in chapter 173-224 WAC (Water Quality Permit Fees).

### Rulemaking process

Ecology updates the Water Quality Permit Fees with a rulemaking every two years. We are accepting public comment on the proposed changes from March 27, 2025, 12 a.m. to May 20, 2025, 11:59 p.m.

See the [“Provide feedback”](#) section to find out how you can stay involved in this rulemaking. After reviewing all feedback received, we will consider whether any changes need to be made before adopting an updated fee schedule.

### Annual water quality permit fees

Ecology is required to collect annual water quality permit fees to cover the cost of administering the state’s water quality permit program. The permit program helps protect rivers, streams, lakes, and marine water from pollution.

Water Quality Permit Fees are governed by chapter 173-224 WAC.

The fee structure for the two types of CAFOs is different under state law. Non-dairy CAFO permit fees are based on the size of the CAFO, and dairy CAFO permit fees are based on animal units.

### Proposed changes

We are proposing to change the fees for both non-dairy and dairy CAFOs.

#### Non-dairy CAFOs

Non-dairy CAFO fees are grouped into tiers where similar sized facilities are charged similar fees. We are proposing a new extra large CAFO tier for non-dairy CAFO general permits and individual permits.

For example, a facility with 1,000 head of cattle currently pays the same amount as a facility with 10,000 cattle. These extra large facilities are more resource intensive for Ecology. By creating the new fee tier, the amount paid by both large and extra large facilities will better represent the cost of administering their permits. The fee for an extra large non-dairy CAFO under the general permit would be \$5,850. The fee for an extra large non-dairy CAFO with an individual permit would be \$12,000. Washington currently has one individual permit that would qualify for this fee.

#### Dairy CAFOs

The permit fees for dairy CAFOs are calculated based on animal units and have what is called a ‘not to exceed amount’. Different from a fee cap, where Ecology cannot raise the permit fee above a certain amount, this ‘not to exceed’ amount can be raised over time when it is necessary to recover the cost of administering the permits.

We are proposing an increase to the dairy ‘not-to-exceed’ fee amount. The current amount is \$2,320. This ‘not-to-exceed’ amount is too low, which means the state’s cost for the permits are not covered. Also, this means medium-sized dairies are paying about the same amount as large dairies. The proposed ‘not-to-exceed’ amount is \$4,000. This means that regardless of how many cows a dairy CAFO has, the maximum fee they will pay is \$4,000.

Additionally, we are proposing a 16% increase in the dairy rate per animal unit starting in state fiscal year 2026 (\$0.54 to \$0.64 per animal unit) and a 5.9% increase for state fiscal year 2027 (\$0.64 to \$0.68 per animal unit).

## Why are we proposing these changes?

Currently, the fees we collect from CAFO permit holders do not recover the program costs to manage the permits. We also need more fee tiers to better reflect the range in operation size.

We try and stay within the fiscal growth factor of a given year when proposing fee increases, but sometimes that is not possible. The fiscal growth factor is 12.4% over the next two years.

RCW 90.48.465 (1) requires that we recover program costs. This part of the statute allows us to exceed the fiscal growth factor as needed. When larger fee increases are needed, we will often phase the increases in over time, to buffer permit holders - especially the smaller facilities - from large fee increases all at once.

With each rulemaking, Ecology continues to look at ways to improve the fee structure for CAFO permit holders, so that cost recovery is as fair as possible. With these proposed changes, Ecology aims to minimize fee impacts to small CAFO facilities.

## Questions

If you have any questions about how the proposed fee schedule would impact your permit fee, please reach out to the Fee Unit at [wqfeeunit@ecy.wa.gov](mailto:wqfeeunit@ecy.wa.gov) or 1-800-633-6193, Option 2.

## Provide feedback

Ecology is accepting comments from March 27, 2025, 12:00 a.m. to May 20, 2025, 11:59 p.m. We

are also holding two virtual public hearings, which will include a presentation and question and answer session, followed by an opportunity to provide verbal comments.

- May 12, 5:30 p.m., [register on Zoom](#)
- May 13, 1:00 p.m., [register on Zoom](#)

Visit our webpage for this rulemaking at [ecology.wa.gov/WQ-fee-rule](https://ecology.wa.gov/WQ-fee-rule) to learn more about the proposed changes and how you can provide feedback to Ecology.

If you would like to receive announcements about this rulemaking, sign up for our [Water Quality Permit Fees email list](#)<sup>1</sup>.



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1-800-633-6193, Option 2



To request an ADA accommodation, contact Ecology by phone at 360-407-6600 or email [wqfeeunit@ecy.wa.gov](mailto:wqfeeunit@ecy.wa.gov), or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.

<sup>1</sup>[https://public.govdelivery.com/accounts/WAECY/subscriber/new?topic\\_id=WAECY\\_152](https://public.govdelivery.com/accounts/WAECY/subscriber/new?topic_id=WAECY_152)