Safe Drinking Water Fee

ALSO KNOWN AS THE SERVICE CONNECTION FEE

When customers receive their water bill from their water supplier, they may notice that one of the items in the list of charges is "water testing fee" or "state test fee." The fee is $9.72 per year per service connection served by the water supplier, as set by the Minnesota Legislature in 2019. The amount on a particular bill depends on whether the water supplier divides the fee out by month ($0.81) or quarter ($2.43) or charges it all at once ($9.72). This fee is called the Safe Drinking Water Fee, or service connection fee.

History of the fee

The Minnesota Department of Health (MDH) ensures that public water systems meet the requirements of the federal Safe Drinking Water Act (SDWA). In 1986, the SDWA required testing for 23 drinking water contaminants. By 1992, this number had increased to 83. There were no federal funds available to help with the increased costs for this additional testing. To help cover the new costs, the 1992 Minnesota Legislature authorized MDH to assess a fee to community water systems. The fee was $5.21 per year per connection.

Over time, the number of tested contaminants increased to 118. They now include microbes, lead, pesticides, industrial chemicals, heavy metals, and radionuclides. To account for these additions, the fee per service connection was increased to $6.36 in 2005.

Between 2005 and 2019, costs increased 28% due to inflation alone. We also face added costs from addressing new threats to drinking water, like pharmaceuticals and harmful algal blooms. To address these additional costs, the Minnesota Legislature increased the fee to $9.72 in 2019. This increase will go into effect January 1, 2020 (Minnesota Statutes 2019, Chapter 144, 144.3831).

Collection of the fee

Each community water supply owned or operated by a city, town or water user district tells MDH the number of service connections they serve. MDH generates a quarterly invoice for that number of connections (Laws of Minnesota 1992, Chapter 513, Article 6, Section 2). The water system collects the fee from each connection served and passes the funds on to MDH.

Services funded by the fee

The fee funds MDH's regulatory and technical assistance services for public drinking water systems. Our staff across the state build relationships with drinking water operators that result in extensive knowledge, trust, and a willingness to take action to prevent a violation of the safe drinking water standards. This cost-effective assistance results in over 99% compliance with SDWA standards year after year.

Until the recent increase, $8.5 million was collected statewide annually. As a result of the fee increase passed by the 2019 Legislature, this amount will increase to $12 million annually. About $2 million will be spent on lab costs for drinking water tests. Much of the rest will be used to support staff who conduct inspections, collect and analyze required water samples, and provide technical assistance, training, and support to enhance water systems' capacity to meet the requirements of the SDWA. For more budgetary information, visit How the Safe Drinking Water Fee Supports Drinking Water Protection Efforts (PDF) [LINK http://www.health.state.mn.us/communities/environment/water/docs/fee.pdf].

MDH services are especially helpful to small, rural water systems, which have more difficulty meeting water standards. Because of smaller customer bases, these systems have fewer resources for testing, investigations, and physical improvements.

This work helps ensure that everyone, everywhere in Minnesota has access to safe and sufficient drinking water.

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