

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT

DEPARTMENT NAME State Water Resources Control Board	CONTACT PERSON Melissa Hall	EMAIL ADDRESS melissa.hall@waterboards.ca.gov	TELEPHONE NUMBER (916) 323-0373
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 Revised Total Coliform Rule Regulations			NOTICE FILE NUMBER Z 2020-

A. ESTIMATED PRIVATE SECTOR COST IMPACTS *Include calculations and assumptions in the rulemaking record.*

1. Check the appropriate box(es) below to indicate whether this regulation:

- | | |
|--|---|
| <input checked="" type="checkbox"/> a. Impacts business and/or employees | <input checked="" type="checkbox"/> e. Imposes reporting requirements |
| <input checked="" type="checkbox"/> b. Impacts small businesses | <input type="checkbox"/> f. Imposes prescriptive instead of performance |
| <input checked="" type="checkbox"/> c. Impacts jobs or occupations | <input checked="" type="checkbox"/> g. Impacts individuals |
| <input type="checkbox"/> d. Impacts California competitiveness | <input type="checkbox"/> h. None of the above (Explain below): |

*If any box in Items 1 a through g is checked, complete this Economic Impact Statement.**If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.***State Water Resources Control Board**2. The State Water Resources Control Board (Agency/Department) estimates that the economic impact of this regulation (which includes the fiscal impact) is:

- Below \$10 million
 Between \$10 and \$25 million
 Between \$25 and \$50 million
 Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a Standardized Regulatory Impact Assessment as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: 7,499Describe the types of businesses (Include nonprofits): Public water systems (PWS) are not small businesses. Gov. Code § 11342.610(b)(8)Enter the number or percentage of total businesses impacted that are small businesses: 04. Enter the number of businesses that will be created: Unknown eliminated: 0Explain: Businesses that rely on potable drinking water for either their customers, employees, or processes/operations.5. Indicate the geographic extent of impacts: Statewide
 Local or regional (List areas): _____6. Enter the number of jobs created: Unknown and eliminated: 0Describe the types of jobs or occupations impacted: Jobs for businesses that rely on potable drinking water for either their customers, employees, or processes/operations. This impact cannot be estimated.7. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here? YES NOIf YES, explain briefly: _____

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ECONOMIC IMPACT STATEMENT (CONTINUED)**B. ESTIMATED COSTS** *Include calculations and assumptions in the rulemaking record.*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ 4,243,000
- a. Initial costs for a small business: \$ N/A Annual ongoing costs: \$ N/A Years: N/A
- b. Initial costs for a typical business: \$ 103 per impacted PWS Annual ongoing costs: \$ 621 Years: 20
- c. Initial costs for an individual: \$ 0.03 (see b.) Annual ongoing costs: \$ 0.16 (see b.) Years: 20
- d. Describe other economic costs that may occur: Costs apply to impacted PWS and to the individuals served by them. Regulation is on-going; 20 years is used as projection. Cost savings are not captured in the responses.
2. If multiple industries are impacted, enter the share of total costs for each industry: Impacted industries include all served by impacted PWS. For other businesses that rely on PWS for their stakeholders or processes/operations, impact cannot be estimated.
3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted. \$ 27.87 (Avg.)
4. Will this regulation directly impact housing costs? YES NO
If YES, enter the annual dollar cost per housing unit: \$ _____
Number of units: _____
5. Are there comparable Federal regulations? YES NO
- Explain the need for State regulation given the existence or absence of Federal regulations: State regulations improve the federal RTCR through more effective monitoring for microbial contamination in groundwater sources and the distribution system.
- Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ 0

C. ESTIMATED BENEFITS *Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: The proposed regulation applies to public water systems and increases public health protection through the reduction of potential fecal contamination into water distribution systems, and monitoring for the presence of microbial contamination.
2. Are the benefits the result of: specific statutory requirements, or goals developed by the agency based on broad statutory authority?
Explain: Authority by: HSC 116270(f) and (h), 116365(b), 116375; clarity and efficiency in regulating are goals
3. What are the total statewide benefits from this regulation over its lifetime? \$ Non-quantifiable
4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: Businesses providing laboratory analytical services or various types of sample delivery service may experience increased demand. The extent of possible expansion of businesses cannot be predicted.

D. ALTERNATIVES TO THE REGULATION *Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: The State Water Board considered the alternative of adoption only the federal Revised Total Coliform Rule without the additional state-only requirements.

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ECONOMIC IMPACT STATEMENT (CONTINUED)

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation: Benefit: \$ Non-quantifiabl Cost: \$ 4,243,000Alternative 1: Benefit: \$ Non-quantifiabl Cost: \$ 0Alternative 2: Benefit: \$ N/A Cost: \$ N/A

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives:

Alternative represents currently implemented federal RTCR regulations. The proposed regulation adds a one-time cost of \$63,000 and \$209,000/annually. (Projected 20-year cost)4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? YES NO

Explain: _____

E. MAJOR REGULATIONS *Include calculations and assumptions in the rulemaking record.**California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.*1. Will the estimated costs of this regulation to California business enterprises **exceed \$10 million**? YES NO*If YES, complete E2. and E3**If NO, skip to E4*

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: _____

Alternative 2: _____

(Attach additional pages for other alternatives)

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

Alternative 1: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

Alternative 2: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

 YES NO*If YES, agencies are required to submit a Standardized Regulatory Impact Assessment (SRIA) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.*

5. Briefly describe the following:

The increase or decrease of investment in the State: The proposed regulations are not expected to cause an increase or decrease of investments in the State. Any changes would be negligible.The incentive for innovation in products, materials or processes: The proposed regulations are not expected to create incentive for innovation in products, materials, or processes. Any changes would be negligible.The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: Improves the clarity of the regulation and benefits the health, safety, and welfare of California residents.

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FISCAL IMPACT STATEMENT

A. FISCAL EFFECT ON LOCAL GOVERNMENT *Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

a. Funding provided in _____
Budget Act of _____ or Chapter _____, Statutes of _____

b. Funding will be requested in the Governor's Budget Act of _____
Fiscal Year: _____

2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ 175,000

Check reason(s) this regulation is not reimbursable and provide the appropriate information:

a. Implements the Federal mandate contained in _____

b. Implements the court mandate set forth by the _____ Court.

Case of: _____ vs. _____

c. Implements a mandate of the people of this State expressed in their approval of Proposition No. _____

Date of Election: _____

d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: _____

e. Will be fully financed from the fees, revenue, etc. from: Public water systems can pass on the costs to their customers.

Authorized by Section: _____ of the _____ Code;

f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in _____

3. Annual Savings. (approximate)

\$ 33,500

4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

5. No fiscal impact exists. This regulation does not affect any local entity or program.

6. Other. Explain _____

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FISCAL IMPACT STATEMENT (CONTINUED)

B. FISCAL EFFECT ON STATE GOVERNMENT *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ 12,300

It is anticipated that State agencies will:

a. Absorb these additional costs within their existing budgets and resources.

b. Increase the currently authorized budget level for the _____ Fiscal Year

2. Savings in the current State Fiscal Year. (Approximate)

\$ 4,500

3. No fiscal impact exists. This regulation does not affect any State agency or program.

4. Other. Explain For response 1. , a one-time cost of \$2,300 has been included. This cost only applies to the first fiscal year; subsequent 2 years will be \$10,000. Savings is not impacted.

C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ _____

2. Savings in the current State Fiscal Year. (Approximate)

\$ _____

3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.

4. Other. Explain This regulation is not expected to impact any federal funding of any State agency or program, either in the current year, or in the two subsequent Fiscal Years.

FISCAL OFFICER SIGNATURE

 **Ryan M. Wilson**

 Digitally signed by Ryan M. Wilson
Date: 2021.03.24 15:24:00 -07'00'

DATE

The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

AGENCY SECRETARY

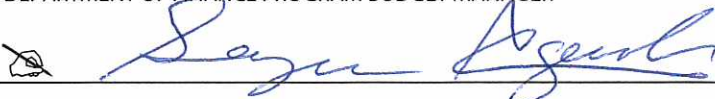
 **Jared Blumenfeld**

Digitally signed by Jared Blumenfeld
Date: 2021.03.26 14:54:00 -07'00'

DATE

Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER



DATE

4/9/21