

Office of Regulatory Management
Economic Review Form

Agency name	State Water Control Board
Virginia Administrative Code (VAC) Chapter citation(s)	9 VAC 25-875
VAC Chapter title(s)	Virginia Erosion and Stormwater Management Regulation
Action title	Amendment to the Virginia Erosion and Stormwater Management Regulation (9VAC25-875 et seq.) in response to changes to 40 CFR Part 122
Date this document prepared	July 11, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Final Exempt

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

(1) Direct & Indirect Costs & Benefits (Monetized)	Revisions to 9VAC25-875-970 and 9VAC25-875-980 are necessary to maintain consistency with federal regulations. Amendments to 40 CFR Part 122, effective July 12, 2023, 88 FR 37994, replaced the term “urbanized area” with “urban area with a population of 50,000 or more people as determined by the latest Decennial Census by the Bureau of the Census” due to changes made by the Census Bureau. The amendments to
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	<p>the Virginia Erosion and Stormwater Management Regulation (9VAC25-875) maintain consistency with federal regulations and, as such, are exempt from the state administrative procedures for adoption of regulations because they are necessary to meet the requirements of federal law or regulations, provided such regulations do not differ materially from those required by federal law or regulation (§ 2.2-4006(A)(4)(c) of the Code of Virginia).</p> <p>Direct Costs: The amendments to 9VAC25-875-970 and 9VAC25-875-980 update terminology to be consistent with amendments to the Code of Federal Regulations related to small municipal separate storm sewer systems (MS4s). The change in terminology clarify that the designation criteria for small MS4s, which the U.S. Environmental Protection Agency established in its regulations in 1999, will remain the same.</p> <p>Because the changes involve a change in terminology only, there are no direct costs associated with amendments to the Virginia Erosion and Stormwater Management (VESM) Regulation (9VAC25-875).</p> <p>Indirect Costs: There are no indirect costs associated with the changes to the federal regulations, and the state regulation.</p> <p>Direct Benefits: Changing “urbanized areas” to the phrase “urban areas with a population of 50,000 or more people,” which is the Census Bureau’s longstanding definition of the term urbanized areas, provides clarity and consistency with federal requirements that the Department of Environmental Quality implements in the federally delegated Virginia Pollutant Discharge Elimination System (VPDES) permit program.</p> <p>Indirect Benefits: The regulatory change maintains consistency with federal regulations and clarifies but does not expand which areas are classified as small MS4s and are subject to VPDES permit requirements.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) No monetized direct or indirect costs associated with these regulatory changes.	(b) The department is unable to quantify these benefits.
(3) Net Monetized Benefit	Unknown (see discussion above).	
(4) Other Costs & Benefits (Non-Monetized)	Unknown (see discussion above).	

(5) Information Sources	N/A
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Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The “status quo” option would be to continue to use language that is inconsistent with federal regulations. No direct costs would be incurred by the department.</p> <p>Indirect Costs: The primary indirect costs with the “status quo” would be costs associated with explaining to the regulated community why state and federal regulatory language is not identical. The department is not able to quantify these costs.</p> <p>Direct Benefits: There is no direct benefit to the agency or the regulated community with retaining the regulation as currently written. When requirements of federal and state law are inconsistent, this may cause confusion within the regulated community.</p> <p>Indirect Benefits: There is no indirect benefit to the agency or the regulated community with retaining the regulation as currently written.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) Unable to monetize direct or indirect costs associated with the status quo.	(b) Unable to be monetize direct and indirect costs.
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	The regulatory changes that result from amendments to 40 CFR Part 122 (effective July 12, 2023) are necessary to meet federal requirements for Virginia’s federally delegated VPDES permit program. Because the regulatory changes do not differ materially from those required by federal regulation, there are not alternative approaches.
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	Direct Costs: N/A Indirect Costs: N/A Direct Benefits: N/A Indirect Benefits: N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) NA	(b) NA
(3) Net Monetized Benefit	NA	
(4) Other Costs & Benefits (Non-Monetized)	NA	
(5) Information Sources	NA	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The amendments to the VESM Regulation do not impose any cost on localities that operate small MS4s because the localities that are currently permitted will continue to be permitted and the criteria for being subject to a permit will continue to be based on a population of 50,000 or more persons.</p> <p>Indirect Costs: N/A</p> <p>Direct Benefits: Changing “urbanized area” to the phrase “urban areas with a population of 50,000 or more people,” which is the Census Bureau’s longstanding definition of the term urbanized areas, clarifies the regulation without the potential for subjecting unintended localities to permit requirements.</p> <p>Indirect Benefits: The regulatory change maintains consistency with federal regulations and provides clarification, but does not expand which</p>
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	areas are classified as small MS4s and are subject to VPDES permit requirements.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) same as table 1a.	(b) same as table 1a.
(3) Other Costs & Benefits (Non-Monetized)	same as table 1a.	
(4) Assistance	None	
(5) Information Sources	same as table 1a.	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The amendments to the VESM Regulation do not have any impact on families because they are limited to minor changes in terminology to be consistent with federal regulations.</p> <p>Indirect Costs: N/A</p> <p>Direct Benefits: N/A</p> <p>Indirect Benefits: N/A</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) NA	(b) NA
(3) Other Costs & Benefits (Non-Monetized)	NA	

(4) Information Sources	NA
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Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The amendments to the VESM Regulation do not have any impact on small businesses because they are limited to a change in terminology for small MS4s</p> <p>Indirect Costs: N/A</p> <p>Direct Benefits: N/A</p> <p>Indirect Benefits: N/A</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) NA	(b) NA
(3) Other Costs & Benefits (Non-Monetized)	NA	
(4) Alternatives	NA	
(5) Information Sources	NA	

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
9VAC25-875-970	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	37	0	0	0
	(D/R):	0	0	0	0
9VAC25-875-980	(M/A):	14	0	0	0
	(D/A):	0	0	0	0
	(M/R):	6	0	0	0
	(D/R):	0	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): 0 (M/R): 0 (D/R): 0

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
NA				

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden
NA		

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
NA			

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).