

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	State Water Control Board
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	9VAC25-200
<b>VAC Chapter title(s)</b>	Water Withdrawal Reporting
<b>Action title</b>	Amendments in response to Chapters 623 and 896 of the 2026 Acts of Assembly (HB496/SB553)
<b>Date this document prepared</b>	April 30, 2026
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	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)**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p><b>Background:</b> Chapters 623 and 896 of the 2026 Acts of Assembly (HB496, Delegate Guzman/SB553, Senator Srinivasan), relating to certain data from water users, water use consumption for domestic, commercial, and industrial purposes and from data centers, amend § 62.1-44.38 of the Code of Virginia. The legislation specifies that: Any water user required to register water withdrawal and use data pursuant to this subsection that provides water to another person offsite shall include in its report, submitted on its regular reporting schedule, the total volume of potable water and, reported separately, the total volume of reclaimed water provided during each month for each of the following categories: (i) a data center, as that term is defined in subdivision A 43 of § 58.1-3506, with an air permit issued by the Department and (ii) to the extent available without utility billing system modifications, (a) domestic purposes, (b) commercial and industrial purposes, separately or combined as available, and (c) all other non-categorized purposes. Where monthly data is not available, such data may be submitted based on the total volumes provided during each quarter. The legislation also defines "reclaimed water" as water that has been treated and repurposed from wastewater or non-potable sources and provides that reclaimed water volumes shall not be aggregated with potable water volumes in any public reporting, summary, or planning document produced by the Board pursuant to this section. The legislation specifies that the provisions of the act shall become effective on January 1, 2027.</p> <p>This rulemaking amends the Water Withdrawal Reporting Regulation (9VAC25-200) to be consistent with the change to Virginia statutory law.</p> <p><b>Direct Costs:</b> This legislation amends water withdrawal reporting requirements by requiring certain water users that already report withdrawal and use data to also report the volume of potable and reclaimed water supplied offsite to specific reporting categories. This requirement applies to both unpermitted and permitted water withdrawers. In calendar year 2024, 1,157 facilities reported water withdrawals. Precise economic impacts are unknown, however it is anticipated that water withdrawers may incur costs to extract information from existing billing records to meet the new reporting requirement.</p> <p>This rulemaking does not impose any direct costs on stakeholders. It is anticipated that any costs incurred by the Department of Environmental Quality (Department) will be minimal, however, modifications to the existing reporting form used to collect reporting data will be necessary to capture the additional information required by the amended regulation.</p>
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	<p>The Department will incur costs in the form of staff time to update, test, and integrate the modified form into the reporting process, and to provide outreach and training to the regulated community both before and during the upcoming reporting cycle.</p> <p><b>Indirect Costs:</b> There are no indirect costs associated with this change in the law and resulting regulation.</p> <p><b>Direct Benefits:</b> This change in the law and resulting regulation provides additional water usage information for specific categories of water users. This data will benefit the Department’s water supply planning process and general efforts to manage the Commonwealth’s water resources. In addition, this data will provide increased transparency for stakeholders. The Department is unable to quantify these benefits.</p> <p><b>Indirect Benefits:</b> There are no indirect benefits associated with this change in the law and resulting regulation.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) Indeterminate direct and indirect costs.	(b) Indeterminate direct and indirect benefits.
(3) Net Monetized Benefit	Indeterminate but positive.	
(4) Other Costs & Benefits (Non-Monetized)	Additional water withdrawal and use information available to manage the resource.	
(5) Information Sources	Department of Planning and Budget, 2026 General Assembly Session, State Fiscal Impact Statement for SB553ER. Published 03/31/2026.	

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>This regulatory amendment is in response to Virginia statutory law where no agency discretion is involved. Retaining the status quo is not an option.</p> <p><b>Direct &amp; Indirect Costs:</b> N/A</p> <p><b>Direct &amp; Indirect Benefits:</b></p>
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	N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	See Table 1a.	

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

This action is mandated by state statute. There are no alternative approaches.

**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)	Local partners would be impacted the same as other entities. <b>Direct Costs:</b> See Table 1 a.  <b>Indirect Costs:</b> See Table 1 a. <b>Direct Benefits:</b> See Table 1 a.  <b>Indirect Benefits:</b> See Table 1 a.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) See Table 1 a.	(b) See Table 1 a..

(3) Other Costs & Benefits (Non-Monetized)	See Table 1 a.
(4) Assistance	NA
(5) Information Sources	See 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><b>Direct Costs:</b> No direct costs specific to families are associated with the regulation.</p> <p><b>Indirect Costs:</b> No indirect costs specific to families are associated with the regulation.</p> <p><b>Direct Benefits:</b> No direct benefits specific to families are associated with the regulation.</p> <p><b>Indirect Benefits:</b> No indirect benefits specific to families are anticipated as a result of this regulatory action.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.
(3) Other Costs & Benefits (Non-Monetized)	(a) None identified.	
(4) Information Sources	See Table 1a.	

**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)	Small Businesses would be impacted the same as other entities. <b>Direct Costs:</b> See Table 1 a.  <b>Indirect Costs:</b> See Table 1 a.  <b>Direct Benefits:</b> See Table 1 a.  <b>Indirect Benefits:</b> See Table 1 a.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.
(3) Other Costs & Benefits (Non-Monetized)	None identified.	
(4) Alternatives	This action is mandated by state statute. There are no alternative approaches.	
(5) Information Sources	See Table 1a.	

**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
9VAC25-200-40	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	4	1	0	+1*
	(D/R):	0	0	0	0
<b>Grand Total of Changes in Requirements:</b>					<b>(M/A): 0</b> <b>(D/A): 0</b> <b>(M/R): 5</b> <b>(D/R): 0</b>

\*This legislation amends water withdrawal reporting requirements by requiring certain water users that already report withdrawal and use data to also report the volume of potable and reclaimed water supplied offsite to specific reporting categories.

**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
9VAC25-200-40	Requires reporting of the volume of potable and reclaimed water supplied offsite to specific	Indeterminate.	Indeterminate.	N/A

	reporting categories.			
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*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>
N/A	N/A	N/A

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

<b>Title of Guidance Document</b>	<b>Original Word Count</b>	<b>New Word Count</b>	<b>Net Change in Word Count</b>
N/A	N/A	N/A	N/A

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