

Office of Regulatory Management
Economic Review Form

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| Agency name | State Water Control Board |
| Virginia Administrative Code (VAC) Chapter citation(s) | 9VAC25-210 9VAC25-610 |
| VAC Chapter title(s) | The Virginia Water Protection Permit Program Regulation (9VAC25-210 et seq.) and Groundwater Withdrawal Regulations (9VAC25-610 et seq.) |
| Action title | Amendment to the Virginia Water Protection Permit Program Regulation (9VAC25-210 et seq.) and Groundwater Withdrawal Regulations (9VAC25-610 et seq.) in response to Chapter 251 of the 2024 Virginia Acts of Assembly (Sen. Stuart, SB 581) |
| Date this document prepared | May 30, 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)

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| (1) Direct & Indirect Costs & | Background: This final exempt regulatory action is necessary to implement Chapter 251 of the 2024 Acts of Assembly. (Sen. Stuart, SB 581). This Act of |
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| | | |
|---|--|---------------------------------------|
| <p>Benefits (Monetized)</p> | <p>Assembly revised state law to authorize DEQ to utilize and incorporate comprehensive groundwater, surface water, and aquifer data in its surface water withdrawal and groundwater permit decisions. Such data may include information relating to water levels, flow rates, and water quality. This rulemaking updates the Virginia Water Protection Permit Program Regulation (9VAC25-210 et seq.) and Groundwater Withdrawal Regulations (9VAC25-610 et seq.) to be consistent with state law.</p> <p>Direct Costs: State law was recently amended to allow DEQ to use groundwater, surface water, and aquifer data in permitting decisions. DEQ already incorporates this data in permits for surface water withdrawals in nontidal areas and groundwater withdrawals. This change in the law and regulation is permissive, and therefore does not necessarily result in a direct cost. However, if DEQ chose to utilize the authority provided by law for surface water withdrawals in tidal areas the cost would be about \$100,000 per permit. On average DEQ issues one permit per year for withdrawals in tidal areas.</p> <p>Indirect Costs: None.</p> <p>Direct Benefits: Utilizing groundwater, surface water, and aquifer data in permitting decisions protects surface water and groundwater aquifers from being overdrawn and allows for the safe withdrawal of surface water and groundwater that is able to sustain future economic growth and development. This benefit is not able to be monetized.</p> <p>Indirect Benefits: None.</p> | |
| <p>(2) Present Monetized Values</p> | <p>Direct & Indirect Costs</p> | <p>Direct & Indirect Benefits</p> |
| | <p>(a) None, because this new authority provided for in law is permissive. However, if DEQ chose to utilize this authority for surface water withdrawal permits in tidal waters it would have a cost of about \$100,000 per permit.</p> | <p>(b) Unable to monetize.</p> |
| <p>(3) Net Monetized Benefit</p> | <p>Indeterminate.</p> | |

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| (4) Other Costs & Benefits (Non-Monetized) | N/A. |
| (5) Information Sources | Department of Planning and Budget 2024 Session Fiscal Impact Statement for SB 581. |

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 changes to state law. Retaining the status quo is not an option.</p> <p>Direct Costs: N/A</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) N/A | (b) N/A |
| (3) Net Monetized Benefit | N/A | |
| (4) Other Costs & Benefits (Non-Monetized) | N/A | |
| (5) Information Sources | Department of Planning and Budget 2024 Session Fiscal Impact Statement for SB 581. | |

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

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| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>This regulatory amendment is in response to changes to state law. There is no alternative approach.</p> <p>Direct Costs: N/A</p> |
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|--|---|----------------------------|
| | Indirect Costs: N/A Direct Benefits: N/A Indirect Benefits: N/A | |
| (2) Present Monetized Values | Direct & Indirect Costs | Direct & Indirect Benefits |
| | (a) N/A | (b) N/A |
| (3) Net Monetized Benefit | N/A | |
| (4) Other Costs & Benefits (Non-Monetized) | N/A | |
| (5) Information Sources | Department of Planning and Budget 2024 Session Fiscal Impact Statement for SB 581. | |

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. Direct Costs: See Table 1 a. Indirect Costs: See Table 1 a. Direct Benefits: See Table 1 a. Indirect Benefits: 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 | None | |
| (5) Information Sources | See Table 1 a. | |

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>Single family residences are not regulated by this regulation. Surface Water withdrawal permits are not required for withdrawals for normal single-family home use, residential gardening, and lawn and landscape maintenance. Groundwater withdrawal permits are required for withdrawals of 300,000 gallons per month in a groundwater management area. Single family residence water use is below that amount.</p> <p>Direct Costs: N/A</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) N/A | (b) N/A |

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| (3) Other Costs & Benefits (Non-Monetized) | N/A |
| (4) Information Sources | N/A |

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>The agency is unable to identify the number of small businesses impacted by this change to state law and regulation. Small businesses impacted the same as other entities.</p> <p>Direct Costs: See Table 1 a.</p> <p>Indirect Costs: See Table 1 a.</p> <p>Direct Benefits: See Table 1 a.</p> <p>Indirect Benefits: See Table 1 a.</p> | |
| (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) Alternatives | See Table 1 a. | |
| (5) Information Sources | See Table 1 a. | |

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 |
|--|---------------------|---------------|-----------|--------------|--|
| 9VAC25-210-315 | (M/A): | 0 | 0 | 0 | 0 |
| | (D/A): | 0 | 0 | 0 | 0 |
| | (M/R): | 0 | 0 | 0 | 0 |
| | (D/R): | 0 | 0 | 0 | 0 |
| 9VAC25-610-110 | (M/A): | 29 | 0 | 0 | 0 |
| | (D/A): | 0 | 0 | 0 | 0 |
| | (M/R): | 0 | 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 |
|--------------------------|---------------------------------------|--------------|----------|--------------------------------|
| N/A | | | | |

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 |
|--------------------------|----------------------------------|---|
| N/A | | |

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 |
|-----------------------------------|----------------------------|-----------------------|---------------------------------|
| 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).