

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 3745-84-05

Rule Type: Amendment

Rule Title/Tagline: Fees for operating or maintaining a public water system.

Agency Name: Ohio Environmental Protection Agency

Division: Division of Drinking and Ground Water (DDAGW)

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I. Rule Summary

1. Is this a five year rule review? Yes
 - A. What is the rule's five year review date? 5/2/2024
2. Is this rule the result of recent legislation? No
3. What statute is this rule being promulgated under? 119.03
4. What statute(s) grant rule writing authority? 119.03
5. What statute(s) does the rule implement or amplify? 6109.21
6. Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires? No
 - A. If so, what is the citation to the federal law or rule? Not Applicable
7. What are the reasons for proposing the rule?

The rule has been reviewed pursuant to the five-year rule review requirements set forth in Section 106.03 and is being revised to remove the regulatory restriction that the director shall transmit all fees collected under this rule to the treasurer of the state.
8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

3745-84-05 defines the appropriate fee due at the time of submission of the application, as well as the requirement of an additional amount equal to ten per cent of the appropriate fee if the application is late. Fees are calculated by division (M) of section 3745.11 of the Revised Code. The proposed change for this rule is to remove the regulatory restriction requiring the director to transmit all fees collected under this rule to the treasure of the state for deposit into the drinking water protection fund.

9. Does the rule incorporate material by reference? No
10. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.

Not Applicable

11. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.

Not Applicable

II. Fiscal Analysis

12. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.

This will have no impact on revenues or expenditures.

0.00

There will be no impact to the agency's revenue due to the changes in this rule.

13. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

The estimated costs of compliance for this rule are the fees required to be submitted with application or late fees.

14. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). Yes
15. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). Yes

16. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not Applicable.

III. Common Sense Initiative (CSI) Questions

17. Was this rule filed with the Common Sense Initiative Office? Yes

18. Does this rule have an adverse impact on business? Yes

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes

This rule is defining the process for applying for a license to operate a public water system and the fee required.

- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

The rule requires a pre-application and application to be completely filled out and the appropriate fee paid.

- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? Yes

The expense of this rule is due to the fee required to be submitted with the application.

IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).

19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? Yes

- A. How many new regulatory restrictions do you propose adding to this rule? 0

- B. How many existing regulatory restrictions do you propose removing from this rule? 1

3745-84-05(D) The director shall transmit all fees collected under this rule to the treasurer of the state for deposit into the drinking water protection fund created in section 6109.30 of the Revised Code.

- C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**
- D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable

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Part B - Local Governments Questions

1. Does the rule increase costs for:

A. Public School Districts	No
B. County Government	Yes
C. Township Government	Yes
D. City and Village Governments	Yes

2. Please estimate the total cost, in dollars, of compliance with the rule for the affected local government(s). If you cannot give a dollar cost, explain how the local government is financially impacted.

Local government owning or operating a PWS is required to obtain an LTO must submit an annual LTO fee in accordance with section 3745.11(M) of the Revised Code. The fee amount depends on the type and size of the PWS. The cost of compliance with this rule may also include those costs associated with rules in Chapter 3745-81 of the Administrative Code, as a PWS's compliance with the safe drinking water act requirements in Chapter 3745-81 is tied to the status of their LTO.

3. Is this rule the result of a federal government requirement? No

A. If yes, does this rule do more than the federal government requires? *Not Applicable*

B. If yes, what are the costs, in dollars, to the local government for the regulation that exceeds the federal government requirement?

Not Applicable

4. Please provide an estimated cost of compliance for the proposed rule if it has an impact on the following:

A. Personnel Costs

The cost will vary depending on the hourly wage of any personnel hired to help maintain compliance within the water system.

B. New Equipment or Other Capital Costs

None.

C. Operating Costs

The cost will be based on an operator salary of \$23.68 per hour, and the time it takes to complete the task.

D. Any Indirect Central Service Costs

None.

E. Other Costs

None.

5. Please explain how the local government(s) will be able to pay for the increased costs associated with the rule.

Local governments prioritization of protecting the health of their citizens and their water will allow them to pay the costs associated with complying with the rule.

6. What will be the impact on economic development, if any, as the result of this rule?

There should be no impact on economic development as a result of complying with this rule.

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Part C - Environmental Rule Questions

Pursuant to Am. Sub. H.B. 106 of the 121st General Assembly, prior to adopting a rule or an amendment to a rule dealing with environmental protection, or containing a component dealing with environmental protection, a state agency shall:

- (1) Consult with organizations that represent political subdivisions, environmental interests, business interests, and other persons affected by the proposed rule or amendment.
- (2) Consider documentation relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or rule amendment.
- (3) Specifically identify whether the proposed rule or rule amendment is being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal environmental law or to participate in a federal environmental program, whether the proposed rule or rule amendment is more stringent than its federal counterpart, and, if the proposed rule or rule amendment is more stringent, the rationale for not incorporating its federal counterpart.
- (4) Include with the proposed rule or rule amendment and rule summary and fiscal analysis required to be filed with the Joint Committee on Agency Rule Review information relevant to the previously listed requirements.

(A) Were organizations that represent political subdivisions, environmental interests, business interests, and other persons affected by the proposed rule or amendment consulted? Yes

Please list each contact.

Stakeholders include PWS owners and operators, consultants, environmental organizations, other state agencies, businesses and in general, the public at large. The only measure a person has to take to be notified of the Division of Drinking and Ground Water's(DDAGW) potential rule activity is to request to be added to our electronic mailing list. Stakeholders were notified of DDAGW's plans to file rules in chapter 3745-84 as "amend" by electronic mail on December 28, 2023. No comments were received during the comment period.

(B) Was documentation that is relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or amendment considered? No

Please indicate the reasons for not providing the information.

These rules are not based on technical or scientific data. The basis for the information requested is to have accurate owner information and to assess the appropriate fee. The fee is set in ORC 3745.11. The information requested is necessary to determine ownership

and administer the program. ORC section 6109.21 provides the legislation that requires PWSs to obtain a LTO, as well as provides for renewals, terms and conditions of LTOs and exemption of churches and schools. ORC section 6109.21 paragraph (H) allows the director to establish procedures and requirements regarding the information included on LTO and renewal applications, as well as how and when LTOs may be conditioned, denied, suspended or revoked.

- (C) Is the proposed rule or rule amendment being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal environmental law or to participate in a federal environmental program? No**

Is the proposed rule or rule amendment more stringent than its federal counterpart?
Not Applicable

- (D) If this is a rule amendment that is being adopted under a state statute that establishes standards with which the amendment is to comply, is the proposed rule amendment more stringent than the rule that it is proposing to amend? No**