

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 3745-84-06

**Rule Type:** Amendment

**Rule Title/Tagline:** Conditioning, denial, suspension and revocation of a license to operate or maintain a public water system.

**Agency Name:** Ohio Environmental Protection Agency

**Division:** Division of Drinking and Ground Water (DDAGW)

**Address:** 50 W. Town St. Suite 700 Columbus OH 43215

**Contact:** Rylee Lane **Phone:** 614-644-2752

**Email:** Rylee.Lane@epa.ohio.gov

#### 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 allow shorter suspensions for correction of violations.

- 8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

3745-84-06 defines the director's ability to deny, condition, suspend or revoke a license to operate if the public water system has failed to meet certain requirements. Proposed changes include the removal of duplicative statutory language, and allowing a shorter suspension for correction of violations requiring less time to complete.

- 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.

- 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**

Businesses owning or operating a PWS will be required to obtain an LTO and must submit an annual LTO fee in accordance with section 3745.11(M) of the Revised Code. Therefore, the cost to comply with the rules in this chapter is the amount of the fee the PWS is required to remit. The amount depends on the type and size of the PWS.

- 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? Yes**

Violation of the Safe Drinking Water Act could subject the PWS to a conditioned, denied, suspended or a revoked LTO, and potential civil, administrative or criminal penalties in accordance with Chapter 6109 of the Revised Code. Ohio EPA does not assign fines and penalties for first-time offenders, and prefers to obtain compliance through outreach and, if needed, written notice of violations prior to any type of formal enforcement.

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

The rules require submission of an LTO application.

- 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**

If a PWS has its license revoked, denied or suspended it may have an adverse impact on business. This includes but are not limited to, increasing the expenses of the PWS or reducing the revenue.

**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? No**

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

Not Applicable

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

Not Applicable

**C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**

Not Applicable

**D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable

## Rule Summary and Fiscal Analysis

### Part B - Local Governments Questions

**1. Does the rule increase costs for:**

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

## Rule Summary and Fiscal Analysis

### 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**