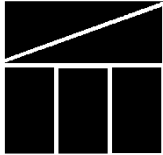


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

9 VAC 25-260 Water Quality Standards
Department of Environmental Quality
Town Hall Action/Stage: 5050/8277
May 30, 2018

Summary of the Proposed Amendments to Regulation

The State Water Control Board (Board) proposes to incorporate by reference the most recent U.S. Environmental Protection Agency (EPA) assessment methodology for the Chesapeake Bay nutrient criteria.¹

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

This regulation incorporates by reference the procedures to be followed when assessing the nutrient criteria in the Chesapeake Bay. These assessment procedures are frequently refined by the EPA as scientific research and management applications reveal new insights and knowledge about the Chesapeake Bay. According to the Department of Environmental Quality, there is no substantive difference between what is currently followed in practice and what is being prescribed in the updated procedures document proposed for incorporation by reference. However, the updated document contains procedures for assessment of short-duration dissolved

¹ See Ambient Water Quality Criteria for Dissolved Oxygen, Water Clarity and Chlorophyll a for the Chesapeake Bay and Its Tidal Tributaries - 2017 Technical Addendum, EPA 903-R-17-002, CB/TRS 320-17, November 2017, U.S. EPA Region III Chesapeake Bay Office. Accessed online at www.chesapeakebay.net/documents/2017_Nov_ChesBayWQ_Criteria_Addendum_Final.pdf on May 17, 2018.

oxygen criteria which did not exist before. Currently, due to lack of resources, there is nothing being done in Virginia to assess the short-duration dissolved oxygen criteria. Therefore, the incorporation of the new assessment procedures would not have any immediate impact, but would be beneficial when and if Virginia moves forward to assess short-duration dissolved oxygen criteria.

Businesses and Entities Affected

Currently, there are 139 point sources this regulation applies to. All but three are water treatment plans.

Localities Particularly Affected

The proposed amendment does not affect any particular locality more than others.

Projected Impact on Employment

The proposed amendment does not have any effect on employment.

Effects on the Use and Value of Private Property

The proposed amendment does not have any effect on the use and value of private property.

Real Estate Development Costs

No impact on real estate development costs is expected.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

The proposed amendment applies to only three small businesses, but no effect on them is expected.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not have adverse effects on small businesses.

Adverse Impacts:**Businesses:**

The proposed amendment does not have adverse impacts on businesses.

Localities:

The proposed amendment will not adversely affect localities.

Other Entities:

The proposed amendment will not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.