

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB 192ER

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Yancey

3. Committee: Passed both Houses.

4. Title: Rainwater and gray water; regulations.

5. Summary: Directs the State Department of Health (the Department) to adopt regulations regarding the use of gray water and rainwater. The regulations shall provide standards for the use of rainwater harvesting systems, which shall include systems that collect rainwater for use by commercial enterprises but do not provide water for human consumption. Such regulations shall not apply to nonpotable water, including graywater and rainwater, that is used by certain specified facilities. The bill also directs the Department to consider recognizing rainwater as an independent source of fresh water.

6. Budget Amendment Necessary: Indeterminate, see item 8.

7. Fiscal Impact Estimates: Indeterminate, see item 8.

8. Fiscal Implications: The fiscal impact this bill would have on the Commonwealth cannot be determined at this time. While there will be a minimal cost to the Department of Health (VDH), which can be absorbed, to develop regulations for gray water, there is no additional cost to permit and inspect for these services as they are already provided. Likewise, the bill would not affect any waterworks regulated under the Virginia Waterworks Regulations and the Safe Drinking Water Act because these regulations already contain standards for the use of rainwater. However, rainwater harvesting systems that do not meet the definition of a waterworks are not currently regulated by the VDH. Non-potable use of harvested rainwater within a building is currently regulated by local building officials under the Virginia Department of Housing and Community Development's (DHCD). VDH does not have a reliable estimate for the number of rainwater harvesting systems not for human consumption that will fall under the proposed regulatory program.

The bill also directs VDH, in conjunction with the Department of Environmental Quality (DEQ), to consider recognizing rainwater as an independent source of fresh water available for use by the residents of the Commonwealth. The bill authorizes, but does not require, VDH to adopt regulations for the use of rainwater for human consumption (other than Waterworks). It is not known at this time whether the Board of Health might adopt such regulations or what the fiscal implications of such regulations would be.

This bill would not have a fiscal impact on the Department of Environmental Quality or the Department of Housing and Community Development.

- 9. Specific Agency or Political Subdivisions Affected:** The Virginia Department of Health, Department of Environmental Quality, and the Department of Housing and Community Development.
- 10. Technical Amendment Necessary:** VDH recommends amending the bill to provide or require that exclusions to the definition of gray water be developed through the regulatory adoption process. VDH also recommends that the bill replace references to “nonpotable water” with “not for human consumption” as appropriate.
- 11. Other Comments:** None.