

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB1949

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

2. Patron: Webert

3. Committee: Health, Welfare and Institutions

4. Title: Rainwater harvesting; water for human consumption.

5. Summary: Requires the Board of Health to include in regulations governing rainwater harvesting systems a provision recognizing rainwater harvesting systems that produce water that meets minimum health and aesthetic standards for pure water adopted by the Board as acceptable sources of water for human consumption.

6. Budget Amendment Necessary: See item #8.

7. Fiscal Impact Estimates: Preliminary, see item #8.

8. Fiscal Implications: The fiscal impact this bill would have on the Commonwealth cannot be determined. The provisions of the bill would not affect any waterworks regulated under the Virginia Waterworks Regulations (12VAC5-590) 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 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 (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.

VDH is already conducting a regulatory adoption process for the use of rainwater harvesting systems as a result of legislation (HB 192) approved during the 2018 General Assembly Session and there would be no additional cost to the agency to develop the proposed regulations. However, the provisions of this bill require VDH to develop standards for human consumption. Specifically, the bill requires a new regulatory program for all rainwater harvesting systems used for human consumption that do not meet the definition of a “waterworks” as defined in § 32.1-167 of the Code. Furthermore, the bill directs the Board of Health to apply the same permitting, operation and maintenance, monitoring, and compliance sampling contained in the Waterworks Regulations for rainwater harvesting systems used for human consumption, even those that do not meet the definition of a waterworks. The Waterworks Regulations require filtration and disinfection, licensed operators, periodic

sampling, reporting of sampling, operation and maintenance, and routine regulatory inspections and oversight.

VDH has not participated in the permitting and oversight of rainwater harvesting systems used for human consumption that do not meet the definition of a waterworks. At this time, VDH does not have a reliable estimate for the number rainwater harvesting system applications that the agency would receive or how many rainwater harvesting systems would be regulated. Therefore, VDH cannot reliably estimate the total fiscal impact to the agency's activities associated with the bill. However, VDH can anticipate some of the tasks necessary to meet the provisions of the bill, such as: staff review of designs and specifications accompanying applications to permit systems for human consumption; issuance or denial of applications for permits; holding informal and formal hearings for case decisions as required by the Administrative Process Act; issuing operation permits for systems for human consumption; providing oversight for ongoing operation and maintenance; review of compliance sampling results; and storing and managing data related to the regulatory program.

VDH will require a minimum of \$131,600 (salary and fringe) for a Technical Services Engineer to implement the proposed new regulatory program. VDH estimates that the Technical Services Engineer could provide permitting, inspection, and oversight of ongoing operation for approximately 75 rainwater harvesting systems annually. If VDH were to receive applications for rainwater harvesting system used for human consumption in excess of 75 systems per year, then additional staffing resources would be required. There would also be a \$31,000 one-time cost to modify the existing Environmental Health Database to include a module for tracking rainwater harvesting program activities, for which VDH currently has a contract with the vendor.

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

9. Specific Agency or Political Subdivisions Affected: The Virginia Department of Health.

10. Technical Amendment Necessary: No.

11. Other Comments: None.