

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB542

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed
Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Carr

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Regional water resource planning; State Water Control Board regulations.

5. Summary: Directs the State Water Control Board to predict the risk that each locality and region in the Commonwealth will experience water supply shortfalls, to encourage the development of cross-jurisdictional water supply projects, and to adopt regulations designating regional planning areas based primarily on river basin. Each locality in a particular regional planning area shall participate in cross-jurisdictional, coordinated water resource planning, and all localities in each area shall together develop and submit a single regional water supply plan. The bill directs the Department of Environmental Quality to facilitate the creation of the regional water plans by ensuring sufficient coordination among localities, providing planning and other assistance, and ensuring that each regional plan identifies risks and proposes cost-effective strategies in response. The bill directs that the Board and the Department prioritize the allocation of funds to localities that sufficiently participate in regional planning. The bill contains technical amendments.

6. Budget Amendment Necessary: Yes, Item 377

7. Fiscal Impact Estimates: Preliminary. See item 8.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2020	-	-	-
2021	\$231,000	-	General Fund
2022	\$231,000	-	General Fund
2023	\$231,000	-	General Fund
2024	\$231,000	-	General Fund
2025	\$231,000	-	General Fund
2026	\$231,000	-	General Fund

8. Fiscal Implications: This bill assigns increased responsibilities to the Department of Environmental Quality (DEQ)'s Water Supply Planning program. Currently, DEQ has two positions that perform water supply planning functions. At current capacity, the program has a supportive role in the development and coordination of local water supply plans for 323 local governments and multiple water supply authorities. The proposed amendments in this bill assign a lead role to DEQ in modelling, planning, and coordinating the collaboration of

localities and stakeholders. The agency estimates that funding to fill two currently unfunded water supply planner positions will allow the program to identify appropriate planning units based on risk, interconnection of users, and use of common sources of supply; to develop multiple data driven methods for projecting future water demand; to identify cross-jurisdictional water supply projects; and to identify what stakeholder groups should participate in each planning unit.

HB30/SB30, as introduced, includes \$31 million in general fund support over the biennium to restore and enhance DEQ's capacity for water protection, solid waste, and biosolids permitting; community outreach; air and water monitoring; and protection of the Chesapeake Bay. As introduced, HB30/SB30 does not include additional support for water supply planning. Committee-approved amendments to HB30 include \$231,000 each year from the general fund for DEQ to carry out the provisions of this bill.

9. Specific Agency or Political Subdivisions Affected: Department of Environmental Quality, localities

10. Technical Amendment Necessary: No.

11. Other Comments: None.