

OKLAHOMA WATER RESOURCES BOARD
RULE IMPACT STATEMENT
for Rule Amendments in OAC 785: Chapter 50
Proposed for Adoption During 2008

A. A BRIEF DESCRIPTION OF THE PURPOSE OF THE PROPOSED RULES.

The purpose of the proposed rules are to clarify the intent and interpretations of the Oklahoma Water Resources Board (OWRB) relating to the financial assistance program laws by amending existing rules in Chapter 50 as follows:

1. The proposed amendment of OAC Section 785:50-8-5 would restore language regarding priority formulas for school districts and counties that file applications for Rural Economic Grant Action Plan (REAP) grants thereby reestablishing the priority system that has been used previously for school districts and county applicants;
2. The proposed amendment of Section 785:50-9-9 and 785:50-9-27 would change the loan repayment period from a maximum of 20 years to 30 years to allow greater flexibility in the State Revolving Fund ("SRF") Projects which is allowed by state and federal law and the U.S. Environmental Protection Agency. This change would provide more opportunities for borrowers to extend financing for the life of the SRF project at low interest rates.
3. The proposed amendment of Section 785:50-9-9 would change the definition of "excessive infiltration/inflow" by changing the threshold from 140 to 120 gallons per capita per day. This change is consistent with the U.S. Environmental Protection Agency standard and the normal standard used by the industry. The new language is to update excessive infiltration to the most common measurement.

B. A DESCRIPTION OF THE CLASSES OF PERSONS WHO MOST LIKELY WILL BE AFFECTED BY THE PROPOSED RULES, INCLUDING CLASSES THAT WILL BEAR THE COSTS OF THE PROPOSED RULES, AND ANY INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES.

Eligible public entities who qualify for financial assistance from the OWRB (public trusts, rural water and/or sewer districts, political subdivisions) most likely will be affected by the proposed rules. The same classes affected will bear the costs of the rules, although it is not anticipated that there will be any significant costs. There has been no information about the cost impacts received from any private or public entities.

C. A DESCRIPTION OF THE CLASSES OF PERSONS WHO WILL BENEFIT FROM THE PROPOSED RULES.

The amendment of 785:50-8-5 will benefit school districts and counties who apply for REAP grants. The amendments of 785:50-9-9 and 785:50-9-27 may benefit public trusts, rural water and/or sewer districts, and other political subdivisions who apply for SRF loans. In addition, representatives of the eligible entities who pursue financial

assistance from the OWRB will benefit by the proposed amendments by having clearer guidance and direction as to obtaining financial assistance from the OWRB.

D. A DESCRIPTION OF THE PROBABLE ECONOMIC IMPACT OF THE PROPOSED RULES UPON AFFECTED CLASSES OF PERSONS OR POLITICAL SUBDIVISIONS, INCLUDING A LISTING OF ALL FEE CHANGES AND, WHENEVER POSSIBLE, A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE.

The probable economic impact upon affected classes of persons or political subdivisions will allow for a better management of debts and assets and for more financing options. Otherwise, there will be no significant impact.

E. THE PROBABLE COSTS AND BENEFITS TO THE AGENCY AND TO ANY OTHER AGENCY OF THE IMPLEMENTATION AND ENFORCEMENT OF THE PROPOSED RULES, THE SOURCE OF REVENUE TO BE USED FOR IMPLEMENTATION AND ENFORCEMENT OF THE PROPOSED RULES, AND ANY ANTICIPATED EFFECT ON STATE REVENUES, INCLUDING A PROJECTED NET LOSS OR GAIN IN STATE REVENUES IF IT CAN BE PROJECTED BY THE AGENCY.

No extraordinary costs to the OWRB or other agencies are anticipated. It is anticipated that the proposed amendments will have no effect on state revenues.

F. A DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULES WILL HAVE AN ECONOMIC IMPACT ON ANY POLITICAL SUBDIVISIONS OR REQUIRE THEIR COOPERATION IN IMPLEMENTING OR ENFORCING THE RULES.

Because most political subdivisions are eligible entities for purposes of financial assistance of the OWRB, such political subdivisions who apply for financial assistance will be required to cooperate in completing applications and complying with terms of the financial assistance obtained. There should be no significant economic impact on any political subdivisions.

G. A DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULES MAY HAVE AN ADVERSE ECONOMIC EFFECT ON SMALL BUSINESS AS PROVIDED BY THE OKLAHOMA SMALL BUSINESS REGULATORY FLEXIBILITY ACT.

There should be no adverse economic impact on small business.

H. AN EXPLANATION OF THE MEASURES THE AGENCY HAS TAKEN TO MINIMIZE COMPLIANCE COSTS AND A DETERMINATION OF WHETHER THERE ARE LESS COSTLY OR NONREGULATORY METHODS OR LESS INTRUSIVE METHODS FOR ACHIEVING THE PURPOSE OF THE PROPOSED RULES.

There are no measures to be taken to minimize compliance costs, and there are no less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rules.

I. A DETERMINATION OF THE EFFECT OF THE PROPOSED RULES ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT AND, IF THE PROPOSED RULES ARE DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT, AN EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULES WILL REDUCE THE RISK.

The proposed rules should have no effect on the public health, safety and environment.

J. A DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULES ARE NOT IMPLEMENTED.

If the proposed rules are not implemented, there should be no detrimental effect on the public health, safety and environment.

K. THE DATE THE RULE IMPACT STATEMENT WAS PREPARED AND IF MODIFIED, THE DATE MODIFIED:

This rule impact statement was reviewed and approved on November 15, 2007 by:

**Kate Burum, Staff Attorney
Oklahoma Water Resources Board.**