

OKLAHOMA WATER RESOURCES BOARD

RULE IMPACT STATEMENT

for New Rules in OAC 785:50

Proposed for Emergency Adoption During 2022

Chapter 50. Financial Assistance

Subchapter 15. American Rescue Plan Act (ARPA) Water and Wastewater Infrastructure Grant Program Requirements [NEW]

785:50-15-1. Program description [NEW]

785:50-15-2. Definitions [NEW]

785:50-15-3. Application review and disposition [NEW]

785:50-15-4. Applicable law; deadline for applications; eligible project costs [NEW]

785:50-15-5. ARPA grant priority points system [NEW]

785:50-15-6. Disbursement of funds [NEW]

Subchapter 17. Oklahoma Dam Rehabilitation (OKDR) Grant Program Requirements and Procedures [NEW]

785:50-17-1. Program description [NEW]

785:50-17-2. Definitions [NEW]

785:50-17-3. Application review and disposition [NEW]

785:50-17-4. Applicable law; deadline for applications; eligible project costs [NEW]

785:50-17-5. Period of performance [NEW]

785:50-17-7. OKDR grant priority system [NEW]

785:50-17-8. Disbursement of funds [NEW]

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

The staff of the Oklahoma Water Resources Board ("OWRB") is proposing adding emergency rules Oklahoma Administrative Code ("OAC") 785:50 as follows:

Subchapter 15 is proposed to add language to implement provisions of Senate Bill 429 (2022). This measure allocates funds to OWRB for water and wastewater infrastructure as authorized by the American Rescue Plan Act ("ARPA"). The legislation directs OWRB to create a water and wastewater infrastructure grant program for communities 7,000 or less and a water and wastewater infrastructure grant program for communities 7,001 or more from funds available from the ARPA. The intended effect of the emergency rules is to provide a structure for the OWRB to review ARPA water and wastewater infrastructure grant applications, create a priority point system, clarify the approval process, and disburse funds as well as provide necessary information to potential applicants regarding laws, guidelines, and the process.

Subchapter 17 is proposed to add language to implement provisions of Senate Bill 429 (2022). This measure allocates funds to OWRB for a publicly owned deficient dams grant program from funds available from ARPA. The intended effect of the emergency rules is to provide a structure for the OWRB to review Oklahoma Dam Rehabilitation Grant applications, create a priority point system, clarify the approval process, and disburse funds as well as provide necessary information to potential applicants regarding laws, guidelines, and the process.

Emergency rules are necessary in this instance to comply with deadlines of the federal programs. To meet ARPA requirements, funds must be obligated in both grant programs for a project by December 31, 2024 and expended by December 31, 2026.

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 communities who qualify for financial assistance from the OWRB and who qualify for dam rehabilitation under OWRB’s jurisdiction are most likely affected by the proposed rules. The same classes affected will bear the costs, if any, of the rules. 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.

Persons who will benefit from these proposed rules are those communities who are eligible for water and wastewater infrastructure grants in the OWRB grant program and communities who are eligible for dam rehabilitation grants under OWRB jurisdiction.

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 not be significant. These rules are for grants so the OWRB does not anticipate negative economic impact to communities.

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.

Funds for these program rules are allocated from ARPA. Senate Bill 429 also designated administrative costs for the implementation and administration of the grant programs. 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 will 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 negative effect on the public health, safety and environment. The proposed rules will result in positive impacts to communities water and wastewater infrastructure needs and increased safety for those persons who live downstream from an unpermitted dam or a dam that is in an unsafe or poor condition.

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 prepared on July 14, 2022.