

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB919

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

2. Patron: Orrock

3. Committee: Education and Health

4. Title: Board of Health; regulations; maximum contaminant levels in water supplies and waterworks.

5. Summary: Amends and reenacts Code of Virginia § 32.1-169 B to add a requirement that, in establishing maximum contaminant levels (MCLs) for (i) perfluorooctanoic acid, perfluorooctane sulfonate, and such other perfluoroalkyl and polyfluoroalkyl substances (PFAS) as the Board of Health (Board) deems necessary, (ii) chromium-6, and (iii) 1,4-dioxane, the Board shall review the recommendations of any work group convened at the option of the State Health Commissioner (Commissioner) after July 1, 2022 to study the occurrence of such contaminants in public drinking water. Administrative and technical support for such work group shall be provided by the Office of Drinking Water of the Department of Health and shall include laboratory analysis performed by the Division of Consolidated Laboratory Services of the Department of General Services. The substitute also adds two enactment clauses, which states that the Board's regulations shall be consistent with regulations the U.S. Environmental Protection Agency (EPA) adopts for the same contaminants; and prevents the Board from establishing MCL regulation prior to EPA without first convening a work group to study the occurrence of the contaminant(s) in Virginia and following the process for establishing an MCL that is set out in the Safe Drinking Water Act at 42 U.S. Code § 300g-1(b)(3)-(7). The third enactment clause also stipulates the composition of a work group and the nature of a study.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: See item 8.

8. Fiscal Implications: The provisions of this legislation, as amended, requires the Commissioner to review the recommendations of any work group convened to study the occurrence of PFAS in public drinking water. That administrative and technical support for such workgroup shall be provided by the Office of Drinking Water and shall include laboratory analysis performed by the Division of Consolidated Laboratory Services to determine current levels of contamination in public drinking water and possible sources of such contamination within available funding, including any grants from the U.S. Environmental Protection Agency that the Commissioner chooses to use for such purpose.

Virginia Department of Health

If the Commissioner opts to form a work group after July 1, 2022, then the bill states that this must be accomplished within existing funding. VDH's drinking water program cannot absorb the cost associated with the administrative and technical support as proposed in the bill within available funding including any EPA grants. VDH does not have sufficient staff to coordinate laboratory testing, coordinate with waterworks and laboratories to schedule activities, receive and review sample results, enter the results into a spreadsheet or other database for reporting and analysis, provide regular status updates to the work group and other stakeholders, and take primary responsibility for preparing the required report. VDH would need to hire a technical specialist or consultant to handle these responsibilities along with support from existing drinking water program staff. Based on experience from the limited study in 2021 and a PFAS sampling effort that is in progress in Henrico County, the role will be equivalent to a full-time staff person for the duration of the study and reporting period. The average total personnel service cost (salary plus fringe benefits) is anticipated to be \$100,317 for FY2023 and \$50,158 in FY2024 to complete the study.

Division of Consolidated Laboratory Services

The amended bill requires the Division of Consolidated Laboratory Services (DCLS) to perform the laboratory services to determine current levels of contamination in public drinking water and possible sources of such contamination. DCLS cannot absorb the cost associated with laboratory analysis proposed by the bill. As the state's primacy laboratory, DCLS would hire a Scientist II contractor for the duration of the study and reporting period at an estimated cost of \$126,684.00 (\$84,456 for FY23 and \$42,228 for FY24).

The cost for environmental sampling for PFAS is estimated to be \$370 per sample (depending on the number of samples, the detection limit, etc.). At \$370 per sample, it will cost \$270,840 (732 samples x \$370 per sample) to conduct sampling at each time point (fall 2022 and spring 2023).

The cost for environmental sampling for chromium-6 and 1,4-dioxane is estimated to be approximately \$47 per sample and \$184 per sample respectively (depending on the number of samples, the detection limit, etc.). At \$231 for each pair of samples (\$47 + \$184), it will cost \$169,092 (732 samples x \$231 for 2 samples at each location) to conduct sampling at each time point (fall 2022 and spring 2023).

The total fiscal impact for DCLS in FY23 is expected to be \$964,320 and \$42,228 in FY24.

The total fiscal impact to the state is \$1,064,637 in FY23 and \$92,386 in FY24.

- 9. Specific Agency or Political Subdivisions Affected:** The Virginia Department of Health and the Division of Consolidated Laboratory Services of the Department of General Services.

- 10. Technical Amendment Necessary:** No.

11. Other Comments: None.