

ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date DRAFT: June 11, 2025								
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) Ch. NR 809, Safe Drinking Water									
4. Subject Technical corrections to clarify and correct existing language in NR 809 and modify federal Consumer Confidence Report requirements (Board Order DG-02-24)									
5. Fund Sources Affected <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected 401 and 441								
7. Fiscal Effect of Implementing the Rule <table style="width: 100%;"><tr><td><input type="checkbox"/> No Fiscal Effect</td><td><input type="checkbox"/> Increase Existing Revenues</td><td><input type="checkbox"/> Increase Costs</td><td><input type="checkbox"/> Decrease Costs</td></tr><tr><td><input type="checkbox"/> Indeterminate</td><td><input type="checkbox"/> Decrease Existing Revenues</td><td colspan="2"><input checked="" type="checkbox"/> Could Absorb Within Agency's Budget</td></tr></table>		<input type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs	<input type="checkbox"/> Decrease Costs	<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Could Absorb Within Agency's Budget	
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8. The Rule Will Impact the Following (Check All That Apply) <table style="width: 100%;"><tr><td><input type="checkbox"/> State's Economy</td><td><input type="checkbox"/> Specific Businesses/Sectors</td></tr><tr><td><input checked="" type="checkbox"/> Local Government Units</td><td><input type="checkbox"/> Public Utility Rate Payers</td></tr><tr><td></td><td><input type="checkbox"/> Small Businesses (if checked, complete Attachment A)</td></tr></table>		<input type="checkbox"/> State's Economy	<input type="checkbox"/> Specific Businesses/Sectors	<input checked="" type="checkbox"/> Local Government Units	<input type="checkbox"/> Public Utility Rate Payers		<input type="checkbox"/> Small Businesses (if checked, complete Attachment A)		
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9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0 The state is not imposing additional costs above what is required in federal rules. If these changes to the Consumer Confidence Reports were not promulgated in state administrative code, public water systems in Wisconsin would still be obligated to comply with these requirements under the federal Safe Drinking Water Act. There are no costs of implementing and complying with the proposed state rule. The department is supplying cost estimates for implementing the federal requirements under the Safe Drinking Water Act in Wisconsin. The proposed revisions are expected to cost approximately \$299,157 in the initial year and \$211,895 in the second year.									
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
11. Policy Problem Addressed by the Rule The objective of the proposed rule is to amend ch. NR 809, Wis. Adm. Code to do the following: <ul style="list-style-type: none">• Revise language that requires clarifying or correcting to meet the requirements of the Environmental Protection Agency (EPA) and the Safe Drinking Water Act (SDWA).• Add a definition of "Service Connection." This phrase is used throughout the code but is not defined.• Update Consumer Confidence Report (CCR) requirements to be consistent with new federal revisions to the CCR under the Safe Drinking Water Act. Consumer Confidence Reports are part of the Safe Drinking Water Acts "right-to-know" provisions and are an important communication tool that informs consumers on the quality of their drinking water, any violations incurred by a water system, and how to contact their water system. Some larger community public water systems will be required to submit their CCRs twice a year instead of once.									

ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

Under the federal SDWA, the EPA establishes regulations that all public drinking water systems must meet. The EPA authorizes states to have primary enforcement responsibility for the Safe Drinking Water Act regulations (also called primacy) if states meet certain requirements, including that the state regulations must be no less stringent than the federal regulations. When the EPA issues new drinking water regulations, primacy agencies are required to adopt these new requirements within two years after the EPA regulation is finalized, with the possibility of an extension of up to two years.

The Wisconsin Department of Natural Resources (department) administers Wisconsin's safe drinking water program, codified in part in ch. NR 809, Wis. Adm. Code. The DNR is the primacy agency responsible for enforcing the federal Safe Drinking Water Act for Wisconsin's public water systems. This rulemaking updates the state administrative code to be no less stringent than new federal regulations governing Consumer Confidence Reports, which is necessary for Wisconsin to retain its primacy.

In May 2024, EPA finalized federal regulations under the SDWA that increase reporting frequency from once per year to twice per year for community water systems with a population of 10,000 or more persons. Systems serving 100,000 or more persons must also develop a plan for providing assistance to consumers with limited English proficiency.

12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.

The proposed edits will affect the following entities:

- Municipal community water systems (cities, townships, sanitary districts)
- Other-than-municipal community water systems (mobile home parks, apartment buildings, condominium associations)
- Non-transient non-community water systems (small businesses with 25 or more employees that are not on a municipal source)
- Transient non-community water systems (churches, restaurants, taverns that serve water to a transient population)
- Wisconsin Department of Natural Resources
- Wisconsin Department of Health Services
- Wisconsin Department of Safety and Professional Services

13. Identify the Local Governmental Units that Participated in the Development of this EIA.

The development of this EIA was done using the EPA national economic analysis. Stakeholders, including local units of government, will have the opportunity to comment on the draft EIA before the final EIA is completed.

14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The effects of the state-specific changes to ch. NR 809, Wis. Adm. Code, will have no financial impact.

- Private labs will potentially receive more business as the department revises code to allow for split fluoride sampling at labs other than the Wisconsin State Lab of Hygiene.
 - The elimination of the variances and exemptions subchapter will have no impact as it has never been used in
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ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

Wisconsin. The state has never received primacy from EPA for this section, and NR 809, Wis. Adm. Code, language does not meet primacy criteria in federal code.

The effects of the federal changes to the CCR will have minimal financial impact.

- There will be a small increase in costs for some larger community water systems that will have to provide a second Consumer Confidence Report each year.
- Other required revisions associated with federal primacy review will have no impact as they do not change how the department has been implementing the SDWA.

If the department does not promulgate this proposed state rule, the federal rules will still apply to all Wisconsin public water systems. However, Wisconsin's public water systems will be required to comply with federal law and will be subject to regulation and enforcement by the EPA, rather than the department. There is no cost to the state rule that is beyond what will be required by the federal rule, regardless of this rulemaking.

This EIA estimates the cost of the federal rule that changes the CCR requirements and utilizes EPA's cost analysis for the CCR rule. The analysis is modified with numbers of effected community water systems from Wisconsin. EPA's analysis was created through national surveys of public water state administrators. The analysis provides an average labor cost per hour, which varies depending on the size of the population served by the system and the amount of technical assistance provided by state agencies. Wisconsin, through the department, provides a high level of technical assistance and maintains an interactive database that systems use to create their CCRs with minimum input and effort. Based on the high level of support provided by the department, the annual ongoing costs of meeting the requirements is expected to be minimal.

Table 1. Estimated costs for federal CCR revisions for first and second year.

Activity	Types of Population served	Number of Systems (a)	First Year Average Hours Per System (b1)	Second Year Average Hours Per System (b2)	Labor Rate (\$) (c)	First Year Cost (\$) (d=a*b1*c)	Second Year Cost (\$) (e=a*b2*c)
Initial training and translation plan	<10,000	934	1.75	0	\$32.00	\$52,304	\$0
	10,000-49,999	78	2	0	\$35.02	\$5,463	\$0
	50,000-99,999	8	3.5	0	\$38.02	\$1,065	\$0
	≥100,000	4	42.6	0	\$40.01	\$6,818	\$0
Total						\$65,649	\$0
Administration	≥100,000	4	9.26	9.26	\$40.01	\$1,482	\$1,482
Total						\$1,482	\$1,482
Telephone Support	<10,000	187	3.8	3.8	\$32.00	\$22,739	\$22,739
	10,000-49,999	16	3.8	3.8	\$35.02	\$2,129	\$2,129
	50,000-99,999	2	3.8	3.8	\$38.02	\$289	\$289
	≥100,000	4	7.5	7.5	\$40.01	\$1,200	\$1,200
Total						\$26,358	\$26,358
Developing summary	<10,000	934	0.38	0	\$32.00	\$11,357	\$0
	10,000-49,999	78	0.75	0	\$35.02	\$2,049	\$0
	50,000-99,999	8	1.5	0	\$38.02	\$456	\$0

ADMINISTRATIVE RULES
Fiscal Estimate & Economic Impact Analysis

	≥100,000	4	1.5	0	\$40.01	\$240	\$0
Total						\$14,102	\$0
Post report online	50,000-99,999	8	2.5	2.5	\$38.02	\$760	\$760
Total						\$760	\$760
Revise corrosion control efforts language	<10,000	934	0.25	0	\$32.00	\$7,472	\$0
	10,000-49,999	78	0.25	0	\$35.02	\$683	\$0
	50,000-99,999	8	0.25	0	\$38.02	\$76	\$0
	≥100,000	4	0.25	0	\$40.01	\$40	\$0
Total						\$8,271	\$0
Labor to deliver second report	<10,000	934	0	0	\$32.00	\$0	\$0
	10,000-49,999	78	3	3	\$35.02	\$8,195	\$8,195
	50,001-99,999	8	5	5	\$38.02	\$1,521	\$1,521
	≥100,000	4	9	9	\$40.01	\$1,440	\$1,440
Total						\$11,156	\$11,156
Total of all activities						\$127,778	\$39,756

Table 2. Estimated costs for delivering the second CCR per year.

	Types of Population served	Number of Systems (a)	Number of Reports Delivered (Assumes delivery to half of total population served) (b)	Postage Rate (\$) (c)	Postage Cost (\$) (d=b*C)
Postage to deliver second report	<10,000	934	0	\$0.10	\$0
	10,000-49,999	78	741,588	\$0.10	\$74,159
	50,001-99,999	8	279,345	\$0.11	\$30,728
	≥100,000	4	555,235	\$0.12	\$66,628
Total					\$171,515

Note: Some of the costs are only incurred to specific population categories and to a subset of the systems in population categories.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed modifications add clarity, eliminate minor errors in the text, and add a practical definition for “service connection,” an otherwise undefined term in the SDWA. The technical edits will not change current policy.

The changes in CCR requirements will improve the readability, clarity, and understandability of CCRs as well as increase the accuracy of the information presented, improve risk communication, incorporate electronic delivery options and provide supplemental information regarding lead levels and control efforts. It will also require systems that serve 10,000 or more persons to provide CCRs to customers biannually (twice per year). Currently all community public drinking water systems deliver a CCR to their customers once per year. Systems serving 100,000 or more persons must also

ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

develop a plan for providing assistance to consumers with limited English proficiency. Modifications to the content of the CCR for Lead and Copper Rule revisions, which are part of a separate rulemaking, will be included in that rule revision.

16. Long Range Implications of Implementing the Rule

The revisions to the CCR will strengthen public health protection by improving access to and clarity of drinking water data so that customers of community water systems can have a more complete picture of water quality and water system compliance. It will further the goal of the 1996 SDWA “right-to-know” provisions by improving access to drinking water data. It will also incorporate new methods for delivering information to customers in recognition of changing forms of media communication.

17. Compare With Approaches Being Used by Federal Government

The revisions in this update are required to comply with federal SDWA. The department’s economic impact used the EPA-supplied analysis of the CCR rule.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

All of the other states in EPA Region Five (Illinois, Indiana, Michigan, Minnesota, Ohio), as well as Iowa are in the process of adopting the federal Consumer Confidence Report revisions.

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