

# Administrative Procedures – Economic Impact Statement

## Instructions:

In completing the economic impact statement, an agency analyzes and evaluates the anticipated costs and benefits to be expected from adoption of the rule. This form must be completed for the following filings made during the rulemaking process:

- Proposed Rule Filing
- Final Proposed Filing
- Adopted Rule Filing
- Emergency Rule Filing

Rules affecting or regulating public education and public schools must include cost implications to local school districts and taxpayers in the impact statement (see 3 V.S.A. § 832b for details).

The economic impact statement also contains a section relating to the impact of the rule on greenhouse gases. Agencies are required to explain how the rule has been crafted to reduce the extent to which greenhouse gases are emitted (see 3 V.S.A. § 838(c)(4) for details).

All forms requiring a signature shall be original signatures of the appropriate adopting authority or authorized person.

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**Certification Statement:** As the adopting Authority of this rule (see 3 V.S.A. § 801 (b) (11) for a definition), I conclude that this rule is the most appropriate method of achieving the regulatory purpose. In support of this conclusion I have attached all findings required by 3 V.S.A. §§ 832a, 832b, and 838(c) for the filing of the rule entitled:

**Rule Title: Stormwater Management Rule for Stormwater-Impaired Waters**

W Markowitz, on Aug. 29, 2016.  
(signature) (date)

Printed Name and Title:

Deb Markowitz, Secretary  
Agency of Natural Resources

*BE AS SPECIFIC AS POSSIBLE IN THE COMPLETION OF THIS FORM, GIVING FULL INFORMATION ON YOUR ASSUMPTIONS, DATABASES, AND ATTEMPTS TO GATHER OTHER INFORMATION ON THE NATURE OF THE COSTS AND BENEFITS INVOLVED. COSTS AND BENEFITS CAN INCLUDE ANY TANGIBLE OR INTANGIBLE ENTITIES OR FORCES WHICH WILL MAKE AN IMPACT ON LIFE WITHOUT THIS RULE.*

1. TITLE OF RULE FILING:

Stormwater Management Rule for Stormwater-Impaired Waters

2. ADOPTING AGENCY:

Agency of Natural Resources

3. CATEGORY OF AFFECTED PARTIES:

*LIST CATEGORIES OF PEOPLE, ENTERPRISES, AND GOVERNMENTAL ENTITIES POTENTIALLY AFFECTED BY THE ADOPTION OF THIS RULE AND THE ESTIMATED COSTS AND BENEFITS ANTICIPATED:*

The proposed updates to the VSMM, which include the updates to this Rule, will affect individuals who are required to obtain a post-construction stormwater permit, and the public at large affected by the quality of the waters of the State.

Individuals required to obtain a stormwater permit that includes a stormwater system designed to the VSMM face higher costs than those who do not require permit coverage. Persons designing a stormwater system to conform to the revised VSMM, compared to the existing 2002 VSMM, may experience increased design and construction costs due to new and improved requirements.

The addition of more treatment options in the revised VSMM may have positive economic impacts on some individuals requiring a stormwater permit, because of the additional design flexibility contained in the proposed VSMM.

The incorporation of green stormwater infrastructure may have positive economic impacts on some persons requiring a stormwater permit, because such practices require less structural infrastructure such as pipes, culverts, and ponds.

Economic impacts on regulated entities are expected to be relatively small, because the VSMM does not impact when a stormwater permit is required, rather the VSMM establishes the design requirements that a jurisdictional project is subject to.

Overall, the costs of the VSMM will be borne by individuals requiring a stormwater permit. Economic benefits associated with construction, infrastructure investment, and clean water will be distributed broadly.

#### 4. IMPACT ON SCHOOLS:

*INDICATE ANY IMPACT THAT THE RULE WILL HAVE ON PUBLIC EDUCATION, PUBLIC SCHOOLS, LOCAL SCHOOL DISTRICTS AND/OR TAXPAYERS:*

Schools seeking to construct expansion or redevelopment projects may be subject to the requirements of the new VSMM and this Rule. Overall, a small fraction of existing schools will require a stormwater permit and compliance with the VSMM.

#### 5. COMPARISON:

*COMPARE THE ECONOMIC IMPACT OF THE RULE WITH THE ECONOMIC IMPACT OF OTHER ALTERNATIVES TO THE RULE, INCLUDING NO RULE ON THE SUBJECT OR A RULE HAVING SEPARATE REQUIREMENTS FOR SMALL BUSINESS:*

In comparison to the alternative of not amending the 2002 VSMM and this Rule, the minimal economic impacts described above would be eliminated. However, this would occur at the expense of water quality, and would require the State to implement other, likely more costly, water quality remediation efforts.

#### 6. FLEXIBILITY STATEMENT:

*COMPARE THE BURDEN IMPOSED ON SMALL BUSINESS BY COMPLIANCE WITH THE RULE TO THE BURDEN WHICH WOULD BE IMPOSED BY ALTERNATIVES CONSIDERED IN 3 V.S.A. § 832a:*

The proposed 2017 VSMM rulemaking package does not establish or affect the threshold for when a project requires a permit. Hence, the ability to develop alternatives for small businesses is limited. However, the proposed 2017 VSMM includes requirements that address the scale of the project, including exemptions from some standards.

Neither the VSMM nor this Rule establish or modify reporting requirements or fees.

The Agency is not aware of other alternatives that would benefit small businesses that would conform with the requirements of 3 V.S.A. § 832a(b).

7. GREENHOUSE GAS IMPACT: *EXPLAIN HOW THE RULE WAS CRAFTED TO REDUCE THE EXTENT TO WHICH GREENHOUSE GASES ARE EMITTED, EITHER DIRECTLY OR INDIRECTLY, FROM THE FOLLOWING SECTORS OF ACTIVITIES:*

a. TRANSPORTATION —

*IMPACTS BASED ON THE TRANSPORTATION OF PEOPLE OR PRODUCTS (e.g., "THE RULE HAS PROVISIONS FOR CONFERENCE CALLS INSTEAD OF TRAVEL TO MEETINGS" OR "LOCAL PRODUCTS ARE PREFERENTIALLY PURCHASED TO REDUCE SHIPPING DISTANCE."):*

The ability of the VSMM and this Rule to affect this sector is limited. However, the VSMM creates incentives for redevelopment instead of new development. Redevelopment projects are often located closer to urban areas which may lessen the need for transportation.

b. LAND USE AND DEVELOPMENT —

*IMPACTS BASED ON LAND USE AND DEVELOPMENT, FORESTRY, AGRICULTURE ETC. (e.g., "THE RULE WILL RESULT IN ENHANCED, HIGHER DENSITY DOWNTOWN DEVELOPMENT." OR "THE RULE MAINTAINS OPEN SPACE, FORESTED LAND AND /OR AGRICULTURAL LAND."):*

The ability of the VSMM and this Rule to affect this sector is limited. However, the VSMM creates incentives to redevelop existing lands versus "green fields," and provides credit for projects that maintain existing vegetation, including forests.

c. BUILDING INFRASTRUCTURE —

*IMPACTS BASED ON THE HEATING, COOLING AND ELECTRICITY CONSUMPTION NEEDS (e.g., "THE RULE PROMOTES WEATHERIZATION TO REDUCE BUILDING HEATING AND COOLING DEMANDS." OR "THE PURCHASE AND USE OF EFFICIENT ENERGY STAR APPLIANCES IS REQUIRED TO REDUCE ELECTRICITY CONSUMPTION."):*

The ability of the VSMM and this Rule to affect this sector is very limited. However, the VSMM gives credit for green roof construction, potentially decreasing the heat-island effect of buildings.

d. WASTE GENERATION / REDUCTION —

*IMPACTS BASED ON THE GENERATION OF WASTE OR THE REDUCTION, REUSE, AND RECYCLING OPPORTUNITIES AVAILABLE (e.g., "THE RULE WILL RESULT IN REUSE OF PACKING MATERIALS." OR "AS A RESULT OF THE RULE, FOOD AND OTHER*

*ORGANIC WASTE WILL BE COMPOSTED OR DIVERTED TO A 'METHANE TO ENERGY PROJECT'."):*

The ability of the VSMM and this Rule to affect this sector is very limited. However, the VSMM allows and gives credit for the dedicated re-use of stormwater for non-potable domestic water uses.

e. OTHER —

*IMPACTS BASED ON OTHER CRITERIA NOT PREVIOUSLY LISTED:*

None.