

- **Division of Surface Water.** The Division of Surface Water will require necessary software for the online requirements of the bill. EPA estimates start-up costs of approximately \$100,000 for the web site system including the software, map development, and sewage system information. The Division also expects that one-half FTE would be needed to maintain the web-based system requiring a map of all combined sewer overflows (CSO) locations and updates, with annual wage and benefits costs of \$31,000. The bill also requires EPA to produce an annual report combining information gathered from sewer operators throughout the state. EPA's costs for this are estimated at \$5,000.
- **Court cost revenues.** The bill allows legal action for discharge of partially treated sewage onto land or into waters of the state under existing penalties of the Water Pollution Control Law. The state may gain locally collected court cost revenues that are deposited into the General Revenue Fund (GRF) and the Reparations Fund (Fund 402), although the amount of revenue should not exceed minimal.
- **Civil penalties.** Current law requires civil penalties collected from violations of the Water Pollution Control Law to be deposited in the following manner: one-half of civil penalties shall be deposited into the Environmental Education Fund (Fund 6A1) and the remainder shall be deposited into the Water Pollution Control Administration Fund (Fund 699). According to EPA, currently there are two state-led enforcement actions pending against communities for sewage overflows, and eight more pending that are federally led.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2007	FY 2008	FUTURE YEARS
Counties			
Revenues	Potential minimal gain from court fees and criminal fines	Potential minimal gain from court fees and criminal fines	Potential minimal gain from court fees and criminal fines
Expenditures	Potential minimal increase for courts and county jails	Potential minimal increase for courts and county jails	Potential minimal increase for courts and county jails
County, City, and Municipality Sewage Systems			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential large increase in start-up and ongoing costs, depending on community	Potential large increase in ongoing costs, depending on community	Potential large increase in ongoing costs, depending on community
Local Boards of Health			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential increase of approximately \$20,000 per year in staff costs	Potential increase of approximately \$20,000 per year in staff costs	Potential increase of approximately \$20,000 per year in staff costs

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- **Counties, cities, and municipalities.** According to the Association of Ohio Metropolitan Wastewater Authorities (AOMWA), the start-up cost to counties, cities, and municipalities will require monitoring, notification, public education, signage, and sampling and could total \$130,000 for the smallest communities, and up to \$4.5 million for cities such as Columbus. Ongoing costs would likely range from \$115,000 to \$1.9 million. These costs would be offset as, to some extent, each community is already fulfilling certain parts of the bill's requirements.

- **Local boards of health.** There may be new staff costs involved with the new notification requirements. According to the City of Columbus Health Department, local boards of health will require less than one additional staff person per year to meet the bill's requirements. Existing law already requires a board of health to take action if a situation is deemed a public health nuisance. The cost of complying with the additional requirements in the bill should not exceed \$20,000 per year for each board of health.
 - **Civil and criminal penalties.** Combined, the penalty provisions might increase local court costs and result in some minimal revenue gain.
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Detailed Fiscal Analysis

Combined sewer overflows (CSOs) and sanitary sewer overflows (SSOs)

According to the Environmental Protection Agency (EPA), about 88 communities have combined sewer overflows (CSOs) in Ohio, with approximately 1,400 outfall locations. Additionally, every wastewater treatment plant has a sanitary sewer overflow (SSO). A CSO is a discharge of untreated storm and wastewater from a combined sewer into the environment and an SSO is a discharge of wastewater from a sanitary sewer system. These discharges typically occur when combined sewers fill up with too much water, often during a heavy rainfall.

Notification requirements

The bill creates notification requirements for EPA, local boards of health, and any person or entity responsible for the direct or indirect discharge of partially treated sewage onto land or into waters of the state. The bill requires, after a discharge, any person or local government that is responsible for the discharge to do the following:

- Notify the Director of EPA and each applicable board of health, not later than 24 hours after the discharge;
- Notify at least one radio station, one television station, and one newspaper that circulates in the county where the discharge occurred, not later than 24 hours after the event;
- Notify any persons who have requested notification concerning discharges by registering with EPA, not later than 24 hours after the event;
- Establish a public interest telephone line;
- Post a sign notifying the public of a discharge at each public access point to the affected water, if the person is a local government;
- Notify customers by including educational information with each bill submitted between May 1 and October 15 of the year in which a discharge occurred;
- Inform annually each municipal corporation with geographical boundaries that fall within a sewage system that may discharge partially treated or untreated sewage.

Additionally, the person that is responsible for the discharge is required by the fifth day of each month following a discharge to submit a statement that contains details and information about the discharge, and provide a recorded message containing the information in the statement at the person's public interest telephone number. If the person is a local government, they are further required to post on a web site, if they have one, information from the submitted statement and a map showing the location of every outfall within their jurisdiction. The bill requires this information to be maintained on the web site.

Environmental Protection Agency

Public Interest Center. Under the bill, when the Director of EPA receives notification of a sewage discharge, he or she must post the notification and the statement required by the bill on EPA's web site and notify the Agency's Public Interest Center. It is difficult to estimate any increase in Public Interest Center wage and benefit costs for people responding to phone calls because the office's phone number has never been heavily publicized, but EPA assumes existing staff could handle the calls at minimal additional cost.

Division of Surface Water. The bill requires EPA to post on the Agency's web site a map showing the location of every discharge in the state, as well as a history of discharges. The web site must also contain the web site address and telephone number of the entity responsible for the discharge, any long-term control plans for each combined sewage system in the state, a copy of the National Pollutant Discharge Elimination System (NPDES) permits for systems in the state, and contact information for each applicable board of health within whose jurisdiction a system is located.

The bill requires some enhancements to the EPA's web site, which the Agency believes would be in the \$100,000 range for the software, map development, and sewage system information to be added. There would also be new personnel costs: an additional one-half FTE to maintain the web-based system requiring a map of all CSO locations and updates of current information. Annual wage costs of such a position would be \$62,000 per year, including benefits; thus, for a one-half FTE, this would create an additional \$31,000 in annual expenses.

The bill requires the Director of EPA to issue an annual report that compiles all of the annual reports submitted by persons that are responsible for systems in Ohio. EPA estimates the cost of the annual report would be around \$5,000 per year to produce.

Water quality testing

The bill requires that the person responsible for the discharge test waters impacted by a discharge for the presence of partially treated sewage. The person must then report the findings to each applicable board of health and the Director of EPA. Each applicable board of health must specify the location(s) of the testing, though the number of test locations cannot exceed ten. If the applicable board of health determines that testing is not necessary, the board must notify the responsible persons.

Local fiscal effects

Municipal and county health departments

One likely new minimal local cost would be to local health departments. According to the City of Columbus Health Department, local boards of health will require less than one additional staff person per year to meet the bill's requirements. This is because existing law already requires a board of health to take action if a situation is deemed a public health nuisance. The cost of complying with the additional requirements in the bill should not exceed \$20,000 per year for each board of health. As there are 133 boards of health in Ohio, this could potentially cost about \$2.7 million per year for the state to meet the health department requirements.

County, city, and municipality sewage systems

Based on the most current figures provided by EPA, there are approximately 1,400 CSOs statewide. Each of these CSOs is covered by an NPDES permit, which requires some notification and monitoring, though neither as detailed as the bill requires. According to the Association of Ohio Metropolitan Wastewater Authorities (AOMWA), the start-up cost to counties, cities, and municipalities will require monitoring, sampling, signage, notification, and public education, and could total \$130,000 for the smallest communities, and up to \$4.5 million for cities such as Columbus. Ongoing costs would likely range from \$115,000 to \$1.9 million. Offsetting these costs, however, it appears as though each community is already fulfilling certain parts of the bill's requirements, so new costs might not be as high as this.

Monitoring will be required for discovery of discharges. In some of the larger metropolitan areas, monitoring is already in place, to varying degrees; an AOMWA official reports that results from existing monitors also vary greatly, depending on the level of technology. For CSO monitoring, the director estimates \$20,000 to \$50,000 per site to install monitors. SSOs are more difficult to monitor, and will most likely cost between \$30,000 to \$75,000 per site.

Sampling is an expensive and ongoing requirement of the bill; current systems are set up to make sampling unnecessary. Current monitors are designed to characterize overflows so that sampling is not needed. Sampling every overflow point will cost small communities with one or two CSOs around \$100,000, and larger cities like Columbus would potentially cost up to \$1.8 million per year for sampling. The cost of sampling will likely depend on rules and standards as established by EPA.

The costs for signs, which the bill requires be posted at every access point to affected waters, could be expensive, depending on what rules are established by EPA for placement. As these costs would largely hinge on EPA rules, it would be difficult to estimate these new signage costs.

According to LSC's contacts with local officials, notification should be relatively inexpensive, unless significant overtime, faxing, and telephone calls are required. Typically, most notification can be handled via email. Public education is also relatively inexpensive.

Penalties

Though the bill does not specifically provide penalties, it does not authorize the discharge of sewage onto land or into waters of the state and does not limit a person from bringing legal action under the existing Water Pollution Control Law. The state may gain locally collected court cost revenues that are deposited into the General Revenue Fund (GRF) and the Reparations Fund (Fund 402), although the amount of revenue should not exceed minimal.

Any civil penalties collected are to be divided in the following manner: one-half of civil penalties shall be deposited into the Environmental Education Fund (Fund 6A1) and the remainder shall be deposited into the Water Pollution Control Administration Fund (Fund 699). According to EPA, currently there are two state-led enforcement actions pending against communities for sewage overflows, and eight more pending that are federally led.

County courts may impose a penalty of \$50 a day, with \$500 a day for subsequent violations, or as high as \$10,000 a day, depending on the violation. The court may impose a criminal penalty of not more than \$100 for some violations, up to \$25,000 and/or up to one year in a county jail for certain violations. These cases are expected to create a negligible increase in revenue and expenditures.

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