



Common Sense Initiative

Mike DeWine, Governor

Jim Tressel, Lt. Governor

Business Impact Analysis

Agency, Board, or Commission Name: Ohio Environmental Protection Agency**Rule Contact Name and Contact Information:** Mandi Payton,
amanda.payton@epa.ohio.gov**Regulation/Package Title (a general description of the rules' substantive content):**Consumer Confidence Reports**Rule Number(s):** 3745-96-01, 3745-96-02, 3745-96-03, 3745-96-04, 3745-96-05**Date of Submission for CSI Review:** 5/26/2026**Public Comment Period End Date:** 6/26/2026**Rule Type/Number of Rules:**New/ 1 rulesNo Change/ rules (FYR?)Amended/ 4 rules (FYR? Y)Rescinded/ rules (FYR?)

The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Reason for Submission

1. R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.

Which adverse impact(s) to businesses has the agency determined the rule(s) create?

The rule(s):

- a. ☐ Requires a license, permit, or any other prior authorization to engage in or operate a line of business.
- b. ☐ Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.
- c. ☒ Requires specific expenditures or the report of information as a condition of compliance.
- d. ☐ Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.

Regulatory Intent

2. Please briefly describe the draft regulation in plain language.

Please include the key provisions of the regulation as well as any proposed amendments.

DDAGW has reviewed 3745-96 of the Ohio Administrative Code (OAC) to satisfy the five-year rule review requirements of section 106.03 and 106.031 of the Ohio Revised Code. These rules of the OAC describe and establish the minimum requirements for the content of the annual report that a community water system shall deliver to its customers.

Proposed amendments include:

3745-96-01:

- Adding the general requirement for systems serving more than 100,000 persons to provide a plan providing assistance to consumers with limited English proficiency.
- Adding clarifying language to the definition of “customer”.
- Updating rule references.

3745-96-02:

- Requiring the reports to include, a description of corrosion control efforts, information on lead service line inventories, clearly identified lead action level exceedances, required health information, and a summary statement.
- Incorporating LCRI requirements
- Requiring translation assistance to consumers with limited English proficiency.

3745-96-03:

- Updating the required language about arsenic, nitrate, and lead.

3745-96-04:

- Adding the electronic delivery methods and good faith efforts, consistent with the 2013 USEPA Delivery Options Memo.
- Requiring community water systems serving more than 50,000 to post the CCR on the internet.
- Requiring biannual delivery of the CCR for systems serving more than 10,000.
- Requiring translation assistance to consumers with limited English proficiency.

3745-96-05:

- Defining the summary statement required at the beginning of the reports.

3. Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.

ORC Section 6109.04 authorize the Agency to adopt this regulation and states that the director shall “adopt, amend, and rescind such rules in accordance with Chapter 119 of the Revised Code as may be necessary or desirable to...govern public water systems to protect the public welfare, including rules governing contaminants in water that may adversely affect the sustainability of the water for its intended uses or that may otherwise adversely affect the public health or welfare.”

**4. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program?
*If yes, please briefly explain the source and substance of the federal requirement.***

Yes, these regulations enable Ohio EPA to administer the Safe Drinking Water Act

(SDWA), as well as retain primary enforcement authority from the Federal Government. These rules are used by Ohio EPA to protect drinking water sources from potential contaminants as outlined in the SDWA. The Federal counterpart to these rules can be found in Title 40 of the Code of Federal Regulations (CFR), Part 141, Subpart O (Consumer Confidence Reports).

5. If the regulation implements a federal requirement, but includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

The changes made to these rules is to incorporate all the changes as required by the US EPA revised CCR rule and align with the LCRI rule.

6. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

The purpose of Ohio Administrative Code (OAC) Chapter 3745-96 is to ensure the minimum content requirements of the annual report a community water system shall deliver to its customers. The Ohio EPA will base the success of this rule on the timeliness of reporting results (for PWSs) and the timeliness of consumer notification.

7. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

The agency will base success of OAC Rule 3745-96-02 on the consumer confidence reports received from the various community water systems.

8. Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931?

If yes, please specify the rule number(s), the specific R.C. section requiring this submission, and a detailed explanation.

No.

Development of the Regulation

9. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.

If applicable, please include the date and medium by which the stakeholders were initially contacted.

Stakeholders include PWS owners and operators, consultants, environmental organizations, other state agencies, businesses, U.S. EPA and in general, the public at large. The only measure someone must take to be notified of DDAGW's potential rule activity is to request to be added to our electronic mailing list.

Stakeholders were notified of DDAGW's plans to revise these rules beginning on May 23, 2025, and ending on June 23, 2025. The initial draft rules were sent out for comment starting on January 7, 2026, and ending on February 6, 2026.

10. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?

During the May 23, 2025 through June 23, 2025 comment period, we received no comments. During the first Interested Party Review period we received two comments that have been addressed in the new proposed rule amendments. The reason the agency

is starting another Interested Party Review is to align the LCRI and CCR rules. Stakeholders will have an additional chance to comment on proposed changes during the Interested Party Review period.

11. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?

No scientific data was used in the revision of this rule package.

12. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives? *Alternative regulations may include performance-based regulations, which define the required outcome, but do not dictate the process the regulated stakeholders must use to comply.*

In order to retain primary enforcement authority, Ohio EPA is required to adopt the federal counterparts of rules. Therefore, Ohio EPA could not consider alternatives to rules in OAC Chapter 3745-96. In addition, the proposed regulation only governs PWSs in the state of Ohio, which is one of the obligations of the Director of Ohio EPA under Chapter 6109 of the Revised Code. No other State agency has authority to administer the Safe Drinking Water Act in Ohio.

13. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?

The agency reviewed the regulations alongside existing regulatory documents and determined they did not duplicate an existing regulation.

14. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

Ohio EPA provides draft rule revisions to staff for internal review and comment. Additionally, training may be provided, and all effective rule revisions are distributed to staff. Implementation of these rules include the following:

- Seeking input from staff on implementation problems and developing solutions
- Involving staff in developing the rule amendments
- Developing internal procedures and guidance documents for staff to use in implementing rules

- Regularly notifying staff of rule changes
- Giving presentations on rule updates

Adverse Impact to Business

15. Provide a summary of the estimated cost of compliance with the rule(s). Specifically, please do the following:

a. Identify the scope of the impacted business community, and

All Community PWSs in the state would incur the cost of compliance with this rule.

b. Quantify and identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance, etc.).

The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a representative business. Please include the source for your information/estimated impact.

There will be no additional cost added due to the changes of this rule.

The cost of compliance with the rules in OAC Chapter 3745-96 is derived from the fiscal analysis published in the federal register, 40 CFR Part 141 and 142 “Consumer Confidence Reports, Final Rule” on August 19, 1998. The fiscal analysis included in the federal register covers both development and delivery of consumer confidence reports (CCRs), and can range in cost depending on the size of the system. The average labor cost based on size of the system was estimated at \$103.45 to \$1,695.85 per system. The average cost to comply per system was estimated at \$899.65 per system.*

*The estimates presented were updated using the U.S. Bureau of Labor Statistics inflation calculator (2022 to 2025).

16. Are there any proposed changes to the rules that will reduce a regulatory burden imposed on the business community? Please identify. (Reductions in regulatory burden may include streamlining reporting processes, simplifying rules to improve readability, eliminating requirements, reducing compliance time or fees, or other related factors).

Yes, the proposed amendments simplify the rules by incorporating references and removing repetitive language.

17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

The Agency considers the overall cost of complying with these regulations to be minor in comparison with ensuring the public is supplied with a safe and reliable source of drinking water.

Regulatory Flexibility

18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

No exemptions or alternative means of compliance for small businesses have been written into these rules.

19. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

Ohio EPA does not assign fines and penalties for first-time offenders and prefers to obtain compliance through outreach first and if needed, written notice of violations prior to any type of formal enforcement.

20. What resources are available to assist small businesses with compliance of the regulation?

The following resources are available:

- Ohio EPA's staff for compliance and pollution prevention assistance provide information and resources to help small businesses comply with environmental regulations in accordance with Ohio Revised Code section 3745.017. These staff help customers subject to any agency regulations identify and implement pollution prevention measures that can save money, increase business performance and benefit the environment. Services include a toll-free hotline, on-site compliance and pollution prevention assessments, workshops/training, plain-English publications library and assistance in completing permit application forms.
- Ohio EPA maintains the Compliance Assistance Hotline 800-329-7518, weekdays from 8:00 a.m. to 5:00 pm and a permit assistance webpage <https://epa.ohio.gov/stay-compliant/get-help/permit-assistance> that contains links to several items to help businesses navigate the permit process, including the Permit Wizard, Answer Place, Ohio EPA's Guide to Environmental Permitting and eBusiness Center.