



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0259	Title:	Create gray water permit
Primary Sponsor:	Reinhart, Michele	Status:	Second Reading

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
State Special Revenue	\$10,000	\$0	\$0	\$0
Revenue:				
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	\$0	\$0	\$0	\$0

Description of fiscal Impact:

The Board of Environmental Review will have to adopt new rules that contain design standards for dealing with gray water re-use. The Department of Environmental Quality will have to amend existing rules, write new rules, and develop design standards for dealing with gray water re-use. The department will use one-time contracted services to develop the design standards for gray water re-use systems.

FISCAL ANALYSIS

Assumptions:

Department of Environmental Quality (DEQ)

1. Gray water re-use systems will need to meet the same design and setback criteria as new wastewater treatment systems since they use biologically contaminated water.
2. Development of rules and design standards for gray water systems will require \$10,000 one-time-only contracted services.
3. Once the gray water has been removed from the waste stream of a home the remaining black water (toilet waste) will now be considered high-strength waste and will not be suitable to be disposed of in the current on-site wastewater treatment system designs described in Circular DEQ-4.
4. A new design standard will have to be developed for the high-strength waste generated by removing the gray water. The DEQ is currently asking for a one-time-only \$60,000 legislative appropriation, included

in the executive budget, to develop the design standards for high-strength waste. These standards are needed regardless of this bill.

5. Gray water systems are exempt under current law 75-5-401 (5c), MCA, from groundwater discharge permit requirements.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$10,000	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$10,000	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	(\$10,000)	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

1. Local health departments will have to amend their wastewater rules to include the gray water systems.
2. Counties that modify their Title 50 septic rules will incur a cost.

Technical Notes:

1. Under current rules implementing the sanitation in subdivisions and water quality acts, separation of household gray water from sewage flow is prohibited. This bill does not require the Board of Environmental Review or the department to amend those rules to allow separation.

Sponsor's Initials

Date

Budget Director's Initials

Date