

## Administrative Rule Fiscal Impact Statement

Date:

01/08/2010

**Agency:** Department of Natural Resources

**IAC Citation:** 567 IAC 61.3

**Agency Contact:** Chuck Corell, 1-4582

**Summary of the Rule:** Water quality standards to protect recreational uses in certain lakes.

*Fill in this box if the impact meets these criteria:*

No Fiscal Impact to the State.

Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.

Fiscal Impact cannot be determined.

Brief Explanation:

*Fill in the form below if the impact does not fit the criteria above:*

Fiscal Impact of \$100,000 annually or \$500,000 over 5 years.

\* Fill in the rest of the Fiscal Impact Statement form.

***Assumptions:***

These criteria only apply to lakes with a mean depth of 3 meters (about 10 feet) or greater. Discharges of pollutants to state-owned lakes that require a permit are prohibited but there are a few permits for discharges to creeks above lakes and some for discharges to lakes that are not state-owned. The mean depth has not been calculated for all lakes in the state.

The criteria relate to the clarity of the water in the lake. The relationship between pollutants discharged by a sewage treatment system and lake clarity is not strong enough for discharge permits to have numeric limits of pollutants to prevent the lake from exceeding the clarity criteria. Therefore, the department cannot write more stringent permit limits for a wastewater treatment plant based on these criteria. These criteria will be used to determine if the lake supports recreational uses such as swimming, water skiing and boating. If the lake does not meet the criteria then it is considered "impaired" and a Total Maximum Daily Load (TMDL) must be calculated for each source that contributes to the impaired condition. There can be many causes for impairments including excess nutrients and sediment from rainwater running off the landscape and discharges from sewage treatment plants and industrial wastewater treatment plants. According to research conducted by the department, most (85-90%) of the nutrients in a typical Iowa water body come off the watershed rather than point sources that require a discharge permit. In light of this fact, the TMDLs that

have been written for nitrate pollution in the Cedar, Des Moines and Raccoon Rivers have assigned a maximum load to city wastewater treatment plants equal to what the plants currently discharge. This means that these plants will not have to add treatment or remove nutrients to meet the goals of the TMDL unless they plan to increase the amount of nitrates discharged sometime in the future. So if a lake does not meet the proposed criteria, there is a small chance that additional treatment may be necessary.

If/when monitoring data is collected for some lakes in Iowa, the data will show that the lake does not meet the criteria and a TMDL will be required. This will add to the Department of Natural Resources workload of calculating TMDLs. More typically, when a state-owned lake is in need of water quality improvements, the DNR uses lake restoration funds already appropriated. Lake restoration is not dependent on the impaired status of the lake nor does lake restoration necessarily correct all the causes to the point that it will meet both of the proposed criteria. The cost to develop a TMDL varies greatly with the size of the water body and the number of parameters that must be sampled for to determine causes but total costs for a large complicated TMDL could exceed \$100,000. How soon data are available to make an impairment decision and the relative priority of a lake impaired for the proposed criteria compared to another water body is impossible to predict. Therefore, it is difficult to estimate the fiscal impact to the state by fiscal year.

*Describe how estimates were derived:*

***Estimated Impact to the State by Fiscal Year***

	<u>Year 1 (FY )</u>	<u>Year 2 (FY )</u>
<b>Revenue by Each Source:</b>		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
<b>TOTAL REVENUE</b>	_____ \$0	_____ \$0
<b>Expenditures:</b>		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
<b>TOTAL EXPENDITURES</b>	_____ \$0	_____ \$0
<b>NET IMPACT</b>	\$0	\$0

\_\_\_\_\_ This rule is required by State law or Federal mandate.

*Please identify the state or federal law:*

\_\_\_\_\_ Funding has been provided for the rule change.

*Please identify the amount provided and the funding source:*

Funding has not been provided for the rule.

*Please explain how the agency will pay for the rule change:*

***Fiscal impact to persons affected by the rule:***

See above

***Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6):***

See above

\* If additional explanation is needed, please attach extra pages.

Agency Representative preparing estimate: Chuck Corell

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