

Small Business Regulatory Fairness Board Small Business Impact Statement

Date: 3/12/2024

Rule Number: 10 CSR 60-10.040

Name of Agency Preparing Statement: Missouri Department of Natural Resources

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Please describe the methods your agency considered or used to reduce the impact on small businesses (*examples: consolidation, simplification, differing compliance, differing reporting requirements, less stringent deadlines, performance rather than design standards, exemption, or any other mitigating technique*).

The department expects that the proposed amendment to 10 CSR 60-10.040 will not impact many, if any, small businesses. The amendment will incorporate federal regulation changes made to §143 Subpart B – Use of Lead Free Pipes, Fittings, Fixtures, Solder, and Flux for Drinking Water. The federal changes revised the definition of lead free from eight percent to twenty-five hundredths of a percent as a weighted average on all wetted surfaces. This amendment will update the state regulation to align with current federal requirements. The amendment also includes a requirement that community public water systems have an ordinance or similar mechanism in place that requires any material installations or repairs at any residential or nonresidential facility connected to the public water system be lead free. Since federal regulation bans the manufacture of plumbing materials for potable purposes that are not lead free, this amendment should not add to the cost of purchasing plumbing materials for any public water systems, or customers of any public water system, as plumbing materials that do not meet the lead free definition should not be available in commerce.

40 CFR 143.14 requires the state to enforce the lead-free standards through a plumbing code or other means that the state determines to be appropriate. The department determined that the least stringent method for regulating the requirement is to propose that public water systems have an ordinance or similar mechanism in place that requires any installations or repairs at the public water system to be lead-free. The department is providing a model ordinance for community public water systems to use. Associated costs from developing an ordinance may be eliminated or reduced for systems using the department's model ordinance. Any community public water system that also classifies as a small business may decide to develop their own ordinance or other appropriate

mechanism to comply with the rule. In this instance, there is a possibility for a small business to incur a cost to comply with the proposed amendment. The department expects this scenario to be uncommon.

Please explain how your agency has involved small businesses in the development of the proposed rule.

The department held a public rulemaking forum on September 14, 2023 to make the public and stakeholders aware of the department's intent to amend the rule. Prior to the rulemaking forum, the department sent two notices to 4,337 stakeholder contacts to provide notice to all interested parties of the upcoming rulemaking forum. The notices were sent to all of Missouri's public water system contacts, including any that may meet the definition of a small business.

Please list the probable monetary costs and benefits to your agency and any other agencies affected. Please include the estimated total amount your agency expects to collect from additionally imposed fees and how the moneys will be used.

There are no probable costs or monetary benefits to the department or any other state agency. There are no fees associated with the proposed amendment.

Please describe small businesses that will be required to comply with the proposed rule and how they may be adversely affected.

Any public water system that classifies as a small business will be required to comply with the rule. They will need to update their existing ordinances or other mechanism for enforcing the lead free standard to incorporate the federal definition change of lead free. Small businesses that are customers of public water systems will need to comply with the lead free provisions of local ordinances, however, because federal regulations ban the introduction of potable plumbing materials that do not meet the lead free standard from being introduced into commerce, this is not expected to have an adverse impact on any small businesses.

Please list direct and indirect costs (in dollars amounts) associated with compliance.

The proposed amendment will require public water systems to demonstrate they have a locally enforceable mechanism, such as an ordinance, in place that is up to date with the federal lead-free definition. The local entity developing or updating their ordinance or other enforceable mechanism to comply with this rule may incur associated costs if they decide not to use the model ordinance that the department is providing. The department expects this scenario to be uncommon and for costs to be minimal.

Please list types of business that will be directly affected by, bear the cost of, or directly benefit from the proposed rule.

Any Missouri public water system that also classifies as a small business.

Does the proposed rule include provisions that are more stringent than those mandated by comparable or related federal, state, or county standards?

Yes ☐ No ☒

If yes, please explain the reason for imposing a more stringent standard.