

---

## State Water Resources Control Board

### NOTICE OF PROPOSED RULEMAKING

**TITLE 22. Social Security**  
**DIVISION 4. Environmental Health**  
**CHAPTER 3.5. Onsite Treatment and Reuse of Nonpotable Water**

**SUBJECT: ONSITE TREATMENT AND REUSE OF NONPOTABLE WATER**  
**(SBDDW-22-001)**

**NOTICE IS HEREBY GIVEN** that the State Water Resources Control Board (State Board) proposes to amend or adopt the regulations described below after considering all comments, objections, and recommendations regarding the proposed regulatory action.

#### **SUMMARY OF PROPOSED REGULATORY ACTION**

The State Board proposes to amend California Code of Regulations, Title 22, Division 4 for the purpose of adding Chapter 3.5 to provide uniform statewide criteria for onsite treated nonpotable water systems (OTNWS). The adoption of the proposed regulations will establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings.

Untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations, which are regulated by Chapter 15 and Chapter 16 of the California Plumbing Code (Part 5 of Title 24 California Code of Regulations), will not be addressed by these proposed regulations.

#### **PUBLIC HEARING**

(Gov. Code, §11346.5, subd. (a)(1))

The State Board will conduct an Administrative Procedure Act (APA) public hearing regarding the subject proposed regulations at the time and place noted below. At the hearing, any person may present comments orally or in writing relevant to the proposed action described in this notice.

**DATE: Thursday, May 8, 2025**

**TIME: 1 p.m.**

**PLACE: California Environmental Protection Agency**

**E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR**

State Water Resources Control Board  
Coastal Hearing Room  
1001 I Street, Second Floor  
Sacramento, CA 95814

The public hearing will begin with a staff presentation summarizing the proposed regulations, followed by an opportunity for public comment. During the comment period, the public will be allowed three (3) minutes to provide oral comments, unless additional time is approved.

**If you wish to view or listen to the workshop only**, a webcast will be available at <https://video.calepa.ca.gov/>.

While a quorum of the State Board may be present, this hearing is for the public to provide comments in accordance with the APA. The Board will not take formal action on this matter. Final regulations are expected to be considered for adoption by the Board in late 2025/early 2026, after consideration of all written and oral comments.

Language Services: For oral interpretation, written translation, or sign language services, please call (916) 341-5254 or e-mail: [opp-languageservices@waterboards.ca.gov](mailto:opp-languageservices@waterboards.ca.gov) (at least ten (10) business days prior to the meeting).

Accessibility and Reasonable Accommodations: The State Water Board is committed to making its meetings accessible consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) and swiftly resolving requests for reasonable modifications or accommodations. Telecommunications device for the deaf (TDD) users may contact the California Relay Service at: (800) 735-2929 or voice line at (800) 735-2922.

The CalEPA Building is accessible to persons with disabilities. Any person who requires reasonable accommodation to participate in the meeting should email [contact@waterboards.ca.gov](mailto:contact@waterboards.ca.gov) or call (916) 341-5254, at least ten (10) business days prior to the meeting.

Parking and Building Access: For directions to the Joe Serna, Jr. (CalEPA) Building and public parking information, please refer to the map on the State Water Board website: <http://www.calepa.ca.gov/headquarters-sacramento/location/>.

All visitors to the CalEPA Building are required to sign in and obtain a badge at the Visitor Services Center located just inside the main entrance (10th Street entrance). A valid picture identification may be required. Please allow up to 15 minutes for receiving security clearance.

## **WRITTEN COMMENT PERIOD AND SUBMITTAL OF COMMENTS**

(Gov. Code, §11346.4, subd. (a); §11346.5, subd. (a)(15))

Any interested person, or their representative, may submit written comments relevant to the proposed regulatory action to the Clerk to the State Board. Any written comments pertaining to these regulations, regardless of the method of transmittal, must be received by the Clerk to the Board by **12:00 p.m. on Friday, May 9<sup>th</sup>, 2025** which is hereby designated as the close of the written comment period. Comments received after this date will not be considered timely.

Written comments may be submitted as follows:

1. By email to: [commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov).
2. By fax transmission to: (916) 341-5620.
3. By mail to: Clerk to the Board, Courtney Tyler, State Water Resources Control Board, P.O. Box 100, Sacramento, CA 95812-2000; or
4. Hand-delivered to: Clerk to the Board, Courtney Tyler, State Water Resources Control Board, 1001 I Street, 24th Floor, Sacramento, CA 95814.

Couriers delivering written comments must check in with lobby security personnel, who can contact Courtney Tyler at (916) 341-5611.

The State Board requests but does not require that fax or email transmission of comments, particularly those with attachments, contain the regulation package identifier **“Comments - SBDDW-22-001: Onsite Treatment and Reuse of Nonpotable Water Regulations”** in the subject line to facilitate timely identification and review of the comment;

The State Board requests but does not require that written comments sent by mail or hand-delivered be submitted in triplicate.

All comments, including email or fax transmissions, should include the author’s name and U.S. Postal Service mailing address in order for the State Board to provide any notices that may be required in future.

Please note that under the California Public Records Act (Gov. Code, § 6250, et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Due to the limitations of the email system, emails larger than 15 megabytes (MB) may be rejected and will not be delivered and received by the State Board. Therefore, emails larger than 15 MB should be submitted under separate emails or another form of delivery should be used.

The State Board requests but does not require that if reports or articles in excess of 25 pages are submitted in conjunction with the comments, the commenter provide a

summary of the report or article and describe the reason for which the report or article is being submitted or is relevant to the proposed regulation.

### **AUTHORITY AND REFERENCE**

(Gov. Code, §11346.5, subd. (a)(2); Cal. Code Regs., tit 1, §14)

Pursuant to Water Code sections 13558 and 13558.1, and Health and Safety Code sections 116271 and 116350, the State Board is authorized to adopt the subject regulations. This action is proposed to implement, interpret, and make specific one or more of the following: Section 13558 and 13558.1 Water Code; and Section 17922.12, Health and Safety Code.

### **INFORMATIVE DIGEST/ POLICY STATEMENT OVERVIEW**

(Gov. Code, §11346.5, subd. (a)(3))

Existing Laws and Regulations (Gov. Code §11346.5, subd. (a)(3)(A)): In September 2018, Senate Bill 966 (SB 966) was enacted, adding sections 13558 and 13558.1 of the Water Code. SB 966 requires that the State Board adopt the onsite treatment and reuse of nonpotable water regulations on or before December 1, 2022. Water Code section 13558(a) requires the State Board to consult with California Building Standards Commission (CBSC) and the Department of Housing and Community Development (HCD) in the regulation adoption process. Water Code section 13558(e)(2) requires that HCD, in consultation with the State Board, develop and propose for adoption any necessary corresponding building standards within 12 months of the State Board adopting its regulations.

The adoption of the proposed regulations by the State Board will establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water (onsite wastewater, graywater, stormwater, and roof runoff) for indoor and outdoor nonpotable end uses (toilet flushing, urinal flushing, drain trap priming, clothes washing, decorative fountains, landscape irrigation, ornamental plant irrigation, dust suppression, and car washing) in multifamily residential, commercial, and mixed-use buildings.

Regulations addressing alternate water sources (graywater, rainwater, stormwater, cooling tower blow-down water, and foundation drainage, reclaimed [recycled] water) and rainwater for indoor and outdoor nonpotable applications exist in the California Code of Regulations, Title 24, Part 2 (California Plumbing Code), Chapter 15 and Chapter 16, respectively.

If adopted as building standards by CBSC and HCD in their future rulemaking, the proposed regulations will replace the existing California Plumbing Code requirements for graywater, stormwater, and rainwater, except for untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations.

Comparable Federal Statute and Regulations (Gov. Code §11346.5, subd. (a)(3)(B)):

There are no federal regulations or statutes that address the specific subject addressed by the proposed regulations.

Policy Statement Overview Gov. (Code, §11346.5, subd. (a)(3)(C)): The State Board proposes to amend the existing regulations to establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings. Untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations, are regulated by Chapter 15 of the California Plumbing Code (Part 5 of Title 24 California Code of Regulations) and will not be addressed by these proposed regulations. Existing law requires the State Board to adopt the regulations by December 1, 2022.

- *Broad objectives of the regulation (Goal):*

The broad objective of this proposed regulatory action is to fulfill the State Board statutory mandate to establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings.

- *Specific benefits anticipated from the proposed action:*

The anticipated benefits, including any nonmonetary benefit to the protection of public health and safety of California residents, worker safety, and the state's environment from this proposed regulatory action, are the following:

- The health and welfare of California residents and worker safety will continue to be protected by preventing cross connection of onsite treated nonpotable water systems and public water supply as well as providing a health-protective risk-based water quality standards for the use of onsite treated nonpotable water;
- The state's overall water budget will benefit from maximizing the amount of onsite treated nonpotable water that California can safely use for beneficial purposes and offsetting uses of potable water from nonpotable water uses.

The net effect of the proposed regulations would be to establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings.

Evaluation as to Whether the Proposed Regulations are Inconsistent or Incompatible with Existing State Regulations (Gov. Code, §11346.5, subd. (a)(3)(D)): The State Board evaluated whether the proposed regulations are inconsistent or incompatible with

existing California state regulations. This evaluation included a review of California's existing regulations, including the State Board's existing regulations related to water recycling.

Regulations addressing alternate water sources (graywater, rainwater, stormwater, cooling tower blow-down water, and foundation drainage, reclaimed [recycled] water) and rainwater for indoor and outdoor nonpotable applications exist in California Code of Regulations, Title 24, Part 2 (California Plumbing Code), Chapter 15 and Chapter 16, respectively.

If adopted as building standards by CBSC and HCD in their future rulemaking, pursuant to Water Code 13558(e)(2), the proposed regulations will replace the existing California Plumbing Code requirements for onsite treatment and reuse of graywater, stormwater, and rainwater, except for untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations.

State Board, CBSC, and HCD are required to consult with each other in developing the proposed regulations and future building standards to ensure that no inconsistencies or incompatibility occur across the regulations. Therefore, the State Board has determined that this proposal, if adopted, would not be inconsistent or incompatible with existing state regulations.

### **FORMS OR DOCUMENTS INCORPORATED BY REFERENCE**

(Cal. Code Regs., tit. 1, §20, subd. (c)(3))

The following documents are incorporated by reference in the proposed regulations as it would be too cumbersome, unduly expensive, or impractical to publish these documents into regulation.

- NSF/ANSI 55-2019 - Ultraviolet Microbiological Water Treatment Systems (2019), available at: <https://webstore.ansi.org/standards/nsf/nsfansi552019>

### **MANDATED BY FEDERAL LAW OR REGULATIONS**

(Gov. Code, §§11346.2, subd. (c))

Adoption of the proposed regulations are not mandated by federal laws or regulations.

### **OTHER STATUTORY REQUIREMENTS**

(Gov. Code, §11346.5, subd. (a)(4))

#### California Environmental Quality Act

The California Environmental Quality Act (CEQA) mandates that guidelines be adopted that include a list of classes of projects that have been determined not to have a significant effect on the environment and that shall be exempt from CEQA. (Pub. Res.

Code, § 21084.) Two of those classes of projects exempt from CEQA are "Actions by Regulatory Agencies for Protection of the Environment" and "Actions by Regulatory Agencies for Protection of Natural Resources." (Cal. Code Regs., tit. 14, §§15307, 15308.)

The State Board intends to make a finding that adoption of the proposed regulations represents action taken by a regulatory agency pursuant to its general and specific statutory authority for the maintenance and protection of the environment and natural resources, and that adoption of the proposed regulations satisfies the requirements of California Code of Regulations, title 14, sections 15307 and 15308, and is a Class 7 and 8 categorically exempt project. The State Board intends to further find that there are no facts on the record to indicate or suggest that the proposed regulations fall within any of the enumerated exceptions for the appropriate use of a categorical exemption. (Cal. Code Regs., tit. 14, § 15300.2.) The State Board intends to find, therefore, that adoption of the proposed regulations is categorically exempt from CEQA requirements for the preparation of environmental documents. (Cal. Code Regs., tit. 14, § 15300.)

Scientific Peer Review (Health and Safety Code, §57004, subd. (b))

Health and Safety Code section 57004, subdivision (b) requires that the scientific portions of any regulation proposed by the California Environmental Protection Agency (CalEPA), or any board, department or office within CalEPA, be submitted to an external scientific peer review entity for evaluation. "Scientific basis" and "scientific portion" means "those foundations of a rule that are premised upon, or derived from empirical data or other scientific findings, conclusions, or assumptions establishing a regulatory level, standard, or other requirement for the protection of public health or the environment." (Health & Saf. Code, §57004, subd. (a)(2).) Where there is no underlying scientific basis for the proposed rule, no peer review is required. Similarly, where the underlying scientific basis for the proposed rule has already been peer reviewed, additional peer review is not required. CalEPA's Unified California Environmental Protection Agency Policy and Guiding Principles for External Scientific Peer Review, March 13, 1998 (CalEPA Guiding Principles) recognizes that external scientific peer review processes are not warranted where there are no underlying scientific bases at issue, or where the underlying scientific basis has already undergone review.

Coordination and oversight of the scientific peer review was conducted by CalEPA External Scientific Peer Review Program. The scientific peer review was completed on July 28, 2023, as required by law.

Safe, Clean, Affordable Water (Water Code, §106.3)

In establishing and adopting the proposed regulations, the State Board considered the statewide policy set forth in section 106.3 of the Water Code and determined the proposed regulations will further the stated policy. The proposed regulations will not

result in increased costs to those served by a public water system and will result in a continued protection of the health and welfare of California residents, worker safety, and the state’s environment by preventing cross connection of OTNWS and public water supply, providing a health-protective risk-based water quality standards for the use of onsite treated nonpotable water, and offsetting uses of potable water from nonpotable water uses by making onsite treated nonpotable water available for nonpotable water uses.

**LOCAL MANDATE**

(Gov. Code, §11346.5, subd. (a)(5))

The State Board has determined that the regulations will not impose a mandate on local agencies or school districts that require state reimbursement.

**FISCAL IMPACT**

(Gov. Code, §11346.5, subd. (a)(6))

The State Board has prepared fiscal impact estimates in accordance with Department of Finance instructions (SAM 6601-6616).

Estimated Fiscal Impact on Local Agency or School District: State Board staff estimated fiscal impact of the proposed regulations for the first seven years after the regulation is effective. The proposed regulations’ fiscal impact is expected to be incurred by local governments that own existing alternate water systems. State Board staff do not anticipate any fiscal impact on state government and federal funding of state programs. There are a total of 15 existing installed alternate water systems owned by local government in Los Angeles County that will be impacted by the proposed regulations. The estimated fiscal impact, which include capital and operations & maintenance costs, are expected to range between \$1.2 million and \$1.6 million per year in the first five years. Costs for subsequent years beyond year 5 are limited to annually incurred operations and maintenance cost of \$0.5 million. Cost for the first seven years of regulatory implementation for local government owned systems is presented in the table below.

**Cost estimate for the first 7 years of regulatory implementation for all local government owned systems**

Year	Capital Cost	O&M Cost	Total Cost
1	\$ 1,135,000	\$ 101,700	\$ 1,236,700
2	\$ 1,135,000	\$ 203,400	\$ 1,338,400
3	\$ 1,135,000	\$ 305,100	\$ 1,440,100
4	\$ 1,135,000	\$ 406,800	\$ 1,541,800
5	\$ 1,135,000	\$ 508,500	\$ 1,643,500
6	\$ 0	\$ 508,500	\$ 508,500



Year	Capital Cost	O&M Cost	Total Cost
7	\$ 0	\$ 508,500	\$ 508,500

Estimated Fiscal Impact on State Government: None

Other Non-discretionary Cost or Savings Imposed on Local Agencies: None.

Estimated Fiscal Impact on Federal Funding of State Programs: None.

Cost to Any Local Agency or School District which Must be Reimbursed in Accordance with Government Code sections 17500 through 17630: None.

**HOUSING COSTS**

(Gov. Code, §11346.5, subd. (a)(12))

The State Board has determined that the regulations will have no direct impact on housing costs. Costs related to compliance with the proposed regulations will be incurred directly by private entities owning the multifamily residential or mixed-use occupancy buildings but may be passed on to individuals in the form of increased facilities fee or condominium fee. At the time of this assessment, data to analyze potential pass-through to individuals is not available.

**SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESSES IN CALIFORNIA, INCLUDING ABILITY TO COMPETE**

(Gov. Code, §§11346.3, subd. (a), §11346.5, subds. (a)(7)-(8))

The proposed regulations will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

**STATEMENT OF THE RESULTS OF ECONOMIC IMPACT ASSESSMENT**

(Gov. Code, §§ 11346.3, subd. (b), 11346.5, subd. (a)(10))

The State Board estimates that the economic impact of this regulation (which includes the fiscal impact) is below \$10 million and is a non-major regulation.

Compliance with the proposed regulations will be mandated only for those engaging in onsite nonpotable water treatment and recycling. The proposed regulations will impact local jurisdictions with an existing OTNWS permitting program and existing OTNWS owners who are subject to the requirement to bring the existing OTNWS into compliance with the proposed regulations upon its effective date.

State Board staff estimated total cost impact of the proposed regulations for the first seven years after the regulation is effective, where total cost impact includes direct cost impact and fiscal impact. Direct cost impact to privately owned businesses and fiscal impact to local government consist of capital and operations & maintenance costs

related to the replacement of and the subsequent operation and maintenance of existing OTNWSs in operation before the effective date of the regulations. Total cost is expected to range between \$6.4 million and \$8.6 million per year in the first five years, where the maximum total cost is expected to occur on year 5. Costs for subsequent years beyond year 5 are limited to annually incurred operations and maintenance cost of \$2.8 million.

**Cost estimate for the first 7 years of regulatory implementation, for privately owned business and local governments**

Year	Capital Cost	O&M Cost	Total Cost
1	\$5,815,000	\$567,100	\$6,382,100
2	\$5,815,000	\$1,134,200	\$6,949,200
3	\$5,815,000	\$1,701,300	\$7,516,300
4	\$5,815,000	\$2,268,400	\$8,083,400
5	\$5,815,000	\$2,835,500	\$8,650,500
6	\$0	\$2,835,500	\$2,835,500
7	\$0	\$2,835,500	\$2,835,500

Creation or elimination of jobs within California: With existing manufacturers of equipment and material for treatment trains potentially expanding production in the short term, these businesses might slightly increase hiring of jobs in this sector because of the proposed regulations. However, the overall impact of the proposed regulations on jobs is negligible compared to California’s labor force: as explained in the Appendix, the total number of jobs within the state is estimated to increase by 50 per year, on average, in the seven years after the proposed regulations are effective.

Creation of new businesses or elimination of existing businesses within California: The proposed regulation is not expected to cause entry of new businesses or the exit of existing ones from commercial, multi-family, or mixed-use buildings real estate markets. The proposed regulations are assumed to increase the investment (capital costs) in existing OTNWSs at multifamily residential, commercial, and mixed-use buildings in the City and County of San Francisco and the County of Los Angeles. This increased investment should be met through increased production by in-state companies, mostly manufacturers of equipment and material for treatment trains. Thus, existing manufacturers of equipment and material for treatment trains, including manufacturers of electrical and plumbing fixtures and chemical manufacturers, will potentially expand production in the short term as a result of the proposed regulations. Similarly, businesses that provide support, maintenance, and repair of treatment trains might experience some expansion. However, this expansion is not expected to be significant statewide, nor are new businesses expected to be created.

Expansion of businesses currently doing business within the state: Existing manufacturers of equipment and material for treatment trains, including manufacturers of electrical and plumbing fixtures and chemical manufacturers, will potentially expand

production in the short term, as a result of the proposed regulations. Similarly, businesses that provide support, maintenance, and repair of treatment trains might experience some expansion. However, this expansion is not expected to be significant statewide, nor are new businesses expected to be created.

Benefits of the regulations to the health and welfare of California residents, worker safety, and the state’s environment: The health and welfare of California residents will continue to be protected by preventing cross connection of onsite treated nonpotable water systems and public water supply, providing a health-protective risk-based water quality standards for the use of onsite treated nonpotable water, and offsetting uses of potable water from nonpotable water uses by making onsite treated nonpotable water available for nonpotable water uses.

**STATEMENT OF THE RESULTS OF THE STANDARDIZED REGULATORY IMPACT ANALYSIS (SRIA)**

(Gov. Code, §11346.5, subd. (a)(10))

The State Board has determined that the proposed regulations are not a major regulation. SRIA is not applicable to the proposed regulations.

**COST IMPACTS ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS**

(Gov. Code, §11346.5, subd. (a)(9))

State Board staff estimated the direct cost impact of the proposed regulations on privately-owned systems that may be impacted by the proposed regulations for the first seven years after the regulation is effective. Direct costs incurred by privately-owned businesses, which include capital and operations and maintenance, are expected to range between \$5.1 million and \$7.0 million per year in the first five years. Costs for subsequent years beyond year 5 are limited to annually incurred operations and maintenance cost of \$2.3 million.

**Cost estimate for the first 7 years of regulatory implementation for privately owned systems**

<b>Year</b>	<b>Capital Cost</b>	<b>O&amp;M Cost</b>	<b>Total Cost</b>
1	\$ 4,680,000	\$ 465,400	\$ 5,145,400
2	\$ 4,680,000	\$ 930,980	\$ 5,610,800
3	\$ 4,680,000	\$ 1,396,200	\$ 6,076,200
4	\$ 4,680,000	\$ 1,861,600	\$ 6,541,600
5	\$ 4,680,000	\$ 2,327,000	\$ 7,007,000
6	\$ 0	\$ 2,327,000	\$ 2,327,000
7	\$ 0	\$ 2,327,000	\$ 2,327,000

Typical Business

Existing alternate water source systems installed at multifamily residential, commercial, and mixed use buildings in the City and County of San Francisco and Los Angeles County may be impacted by the proposed regulations. To assess the direct cost impact on the typical regulated business, all 68 privately-owned alternate water source systems were considered. For this analysis, a typical business is defined as a hypothetical business entity that privately owns and occupies an entire building and operates an alternate water source system with the average attributes. Direct costs for a typical business are as follows:

- A typical business operating a rainwater (roof runoff) system thus defined would incur a direct cost of approximately \$275,000 in Year 1 assuming a replacement system installation in Year 1. A typical business would incur a direct cost of \$27,500 in Year 2 and in subsequent years for operations and maintenance.
- A typical business operating a stormwater system thus defined would incur a direct cost of approximately \$375,000 in Year 1 assuming a replacement system installation in Year 1. A typical business would incur a direct cost of \$32,500 in Year 2 and in subsequent years for operations and maintenance.
- A typical business operating a graywater system thus defined would incur a direct cost of approximately \$400,000 in Year 1 assuming a replacement system installation in Year 1. A typical business would incur a direct cost of \$43,000 in Year 2 and in subsequent years for operations and maintenance.

### Individuals

Single family residences are not subject to the requirements of the proposed regulations; therefore, individuals are not expected to incur any direct costs to comply with the proposed regulations. The proposed regulations are only applicable to multifamily residential, commercial, and mixed-use occupancies. Costs related to compliance with the proposed regulations will be incurred directly by businesses or private entities owning the multifamily residential or mixed-use occupancy buildings. The costs related to compliance with the proposed regulations may be passed on to individuals in the form of increased cost of goods or services provided by the business, or in the form of increased facilities fee or condominium fee. At the time of this assessment, data to analyze potential pass-through to individuals is not available.

### **BUSINESS REPORT**

(Gov. Code, §§11346.3, subd. (d), 11346.5, subd. (a)(11))

Water Code section 13558 requires the State Board to adopt the proposed regulations. The proposed regulations represent the minimum criteria and requirements necessary for the protection of human health and the environment. The proposed regulations contain reporting requirements for owners of alternate water source systems to demonstrate compliance with the regulations. These reporting requirements will ensure

that the treatment, distribution, and use of onsite treated non-potable water is protective of public health, safety, and welfare. To the extent that some alternate water source systems are privately-owned businesses, the State Board finds that it is necessary for the proposed regulations to apply to these businesses to ensure the delivery of safe onsite treated non-potable water for non-potable end uses in these facilities.

No additional costs are associated with reporting requirements for the proposed regulations. The existing alternate water systems (that will be considered onsite treated nonpotable water systems) are already required to submit water quality monitoring reports to their local jurisdictions. These existing water quality reporting are comparable to by water quality reporting required by the proposed regulations.

### **EFFECT ON SMALL BUSINESS**

(Cal. Code Regs., tit. 1, §4, subds. (a)-(b))

State Board staff considers the effect of the proposed regulations on small business to be defined in the Government Code section 11342.610. State Board staff also considers the definition of “Small Business” to be as defined in Government Code section 11346.3, subdivision (b)(4)(B), where a “small business” means a business that is all of the following:

- Independently owned and operated,
- Not dominant in its field of operation.
- Has fewer than 100 employees.

Data to determine if an impacted alternate water system is located within a building owned by a business meeting the “small business” criteria in the either sections above is not available. Therefore, it is not possible to determine the number of small businesses, if any, that would be affected by the proposed regulations. If a small business is affected, State Board staff assumes that the cost incurred by that small business will be the same as the cost incurred by a typical business if it owns and occupies an entire building and operates an alternate water source system. Small businesses that rent and occupy spaces in privately-owned buildings with operational alternate water source systems that are impacted by the proposed regulations might incur indirect cost impacts through increase in rent cost or facility fees.

### **CONSIDERATION OF ALTERNATIVES**

(Gov. Code, §11346.5, subd. (a)(13))

The State Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more

cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

As noted above, the Legislature has directed the State Board to adopt the subject regulations. The State Board invites interested parties to present statements or arguments with respect to alternatives to the proposed regulations at the scheduled hearing or during the written comment period, as identified in this notice.

### **STATE BOARD CONTACT PERSONS**

(Gov. Code, §11346.5, subd. (a)(14))

Requests for copies of the proposed regulatory text, the initial statement of reasons, subsequent modifications of the proposed regulatory text, if any, or other inquiries concerning the proposed action may be directed to:

Sherly Rosilela, P.E.  
Senior Water Resource Control Engineer  
State Water Resources Control Board, Division of Drinking Water  
1001 I Street, 17<sup>th</sup> Floor  
Sacramento, CA 95814  
Telephone: (916) 341-5578  
Electronic mail: [sherly.rosilela@waterboards.ca.gov](mailto:sherly.rosilela@waterboards.ca.gov)

In the event Sherly Rosilela is not available to respond to requests or inquiries, please contact:

Randy Barnard, P.E.  
Supervising Water Resource Control Engineer  
State Water Resources Control Board, Division of Drinking Water  
Telephone: (619) 525-4022  
Electronic mail: [randy.barnard@waterboards.ca.gov](mailto:randy.barnard@waterboards.ca.gov)

Please identify the action by using the State Board regulation package identifier, **“SBDDW-22-001: Onsite Treatment and Reuse of Nonpotable Water Regulations”** in any inquiries or written comments.

### **AVAILABILITY OF INITIAL STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, AND THE RULEMAKING FILE**

(Gov. Code, §11346.5, subd. (a)(16))

The State Board has prepared the proposed regulation text and an Initial Statement of Reasons for the proposed regulatory action. The Initial Statement of Reasons includes the specific purpose for the regulations proposed for adoption, and the rationale for the

State Board's determination that adoption is reasonably necessary to carry out the purpose for which the regulations are proposed. All information upon which the proposed regulations are based is contained in the rulemaking file, which is available for inspection and copying throughout the rulemaking process. To inspect or copy the rulemaking file at the State Board office, contact Sherly Rosilela, identified above ("Contact Persons").

**AVAILABILITY OF CHANGED OR MODIFIED TEXT**

(Gov. Code, §11346.5, subd. (a)(18))

After holding the hearing and considering relevant comments received in a timely manner, the State Board may adopt the proposed regulations substantially as described in this notice. If the State Board makes modifications that are substantially related to the originally proposed text, the State Board will make the modified text – with changes clearly indicated – available to the public for at least 15 days before the State Board adopts the modified regulations. Any such modifications will also be posted on the State Board Web site. Please send requests for copies of any modified regulations to the attention of the contact persons provided above ("Contact Persons"). The State Board will accept written comments on the modified regulation for 15 days after the date on which they were made available.

**AVAILABILITY OF FINAL STATEMENT OF REASONS**

(Gov. Code, §11346.5, subd. (a)(19))

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person(s) named in this notice or may be accessed on the website address provided in the "Availability of Documents on the Internet" section of this Notice.

**AVAILABILITY OF DOCUMENTS ON THE INTERNET**

(Gov. Code, §§11346.4, subd. (a)(6), 11346.5, subd. (a)(20))

Materials regarding the action described in this notice (including this public notice, the regulation text, and the Initial Statement of Reasons) are available via the Internet and may be accessed directly from the State Board Onsite Treatment and Nonpotable Water Reuse Regulation webpage at:

[https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/otnws\\_regs.html](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/otnws_regs.html)

\_\_\_\_\_  
March 21, 2025  
Date

  
\_\_\_\_\_  
Courtney Tyler  
Clerk to the Board