

## **Rule Impact Statement**

### **Title 785. Oklahoma Water Resources Board Chapter 5. Fees**

#### **I. Statement of need and legal basis**

To address rising administrative costs associated with conducting individual proceedings, and pursuant to the authority granted by 82 O.S. 1085.2(9)(m), the Board proposes to add a hearing fee payable by the applicant whose application is the subject of such proceedings. Implementing a Hearing Fee is a necessary and justifiable change to the Board's administrative rules. It is a reasonable and proportionate measure to recover ever-increasing costs directly associated with the hearing process, including mailing and substantial staff time. This change will help the Board maintain its operational efficiency and continue to provide effective and timely services to the public.

#### **II. Classification of the rule(s) and justification for classification.**

Non-major rule. There are no other direct costs associated with compliance with the proposed rules other than what the Board already incurs to provide hearings as required.

#### **III. Description of the proposed rule(s).**

The proposed rule change adds a one-time fee of \$1,750.00 to be paid by applicants whose application is the subject of an individual proceeding. The proposed rule is not mandated by federal law. The proposed rule does not exceed the requirements of any applicable federal law. No federal law is directly applicable.

#### **IV. Description of the classes of persons who most likely will be affected by the proposed rule(s), including classes that will bear the costs of the proposed rule(s), and any information on cost impacts received by the agency from any private or public entities.**

The only class of persons affected by the proposed rules will be those with applications before the Board that require an individual proceeding. This represents approximately 22.3% of applications. The proposed rule will require the applicant to bear a portion of the costs of administering the individual proceedings associated with their application.

#### **V. Description of the classes of persons who will benefit from the proposed rule(s).**

The people of the State of Oklahoma will benefit from the proposed rule by requiring those persons directly benefiting from individual proceedings to bear the costs of those proceedings, rather than having those costs paid entirely from the general budgetary allocation.

**VI. Comprehensive of the rules' economic impact.**

The proposed rule changes will not require an increase in the full-time employee count and should allow for a reduction in the number of contract hearing examiners employed by the Board. The Board will incur no new costs associated with the benefits of the proposed rules. There will be an estimated benefit to the Board, measured by new fee income and cost reduction. The compliance cost is limited to the direct cost of the new fee to the applicant, which is \$1,750.00.

**VII. Detailed explanation of methodology and assumptions used to determine the economic impact.**

The methodology focused on **direct, measurable impacts**, primarily concerning fees and administrative costs, and found negligible secondary impacts on the state economy, public utility ratepayers, and local government units. The analysis was conducted under the assumption that the costs (new hearing fees) were balanced by the benefits (Board revenue/savings), and that the rule change itself does not induce market-wide behavioral changes that would significantly affect the larger economy.

**VIII. Determination of whether implementation of the proposed rule(s) will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule(s).**

No impact foreseen.

**IX. Determination of whether implementation of the proposed rule(s) may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.**

No impact foreseen.

**X. Measures taken to minimize the cost and impact of the proposed rule on business and economic development in this state, local government unites of this state, and individuals.**

The proposed rule changes have been specifically tailored to impact only those persons and businesses with matters pending before the Board, and further tailored to assess costs only on those directly benefiting from the services provided by the Board.

**XI. Determination of the effect of the proposed rule(s) on the public health, safety and environment and, if the proposed rule(s) is/are designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk.**

There is no foreseen impact on public health, safety or the environment, nor are the proposed

rules designed to reduce risks to the public health, safety and environment.

**XII. Determination of any detrimental effect on the public health, safety and environment if the proposed rule(s) is/are not implemented.**

There is no foreseen impact on public health, safety or the environment, nor are the proposed rules designed to reduce risks to the public health, safety and environment.

**XIII. Analysis of Alternatives to Adopting the Rule(s)**

The alternative to adopting the proposed rule is for the Board to continue to pay the ever-increasing costs associated with administering the necessary individual proceedings out of its general budgetary allocation.

**XIV. Estimated Time Spent by State Employees to Develop Rule and Other Resources Used in Developing Rule**

OWRB Staff, including legal staff, spent approximately 40 hours developing these rule changes and analyzing the impacts.

**XV. Summary and Preliminary Comparison of Any Existing or Proposed Federal Regulations Intended to Address the Activities to be Regulated by Proposed Administrative Rules**

There are no federal regulations intended to address the activities to be regulated by the proposed rules.

**XVI. Date the rule impact statement was prepared and if modified, the date modified.**

The Oklahoma Water Resources Board prepared this rule impact statement on October 13, 2025