

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 633** HLS 18RS 1000
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.: **w/ PROP HSE FLOOR AMD**
 Sub. Bill For.: **REVISED**

Date: April 25, 2018	3:57 PM	Author: HUNTER
Dept./Agy.: LDH/OPH		Analyst: Tanesha Morgan
Subject: Water testing		

WATER/DRINKING WATER EG +\$150,634 SG EX See Note Page 1 of 1
 Provides relative to testing drinking water in schools

Proposed law provides that the Office of Public Health (OPH) shall test drinking water for secondary drinking water quality standards at elementary and secondary public and charter schools. Proposed law also provides that safe drinking water fees transferred from OPH to the Louisiana Rural Water Association shall be used to perform water quality testing at schools.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$150,634	\$150,634	\$150,634	\$150,634	\$150,634	\$753,170
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$150,634	\$150,634	\$150,634	\$150,634	\$150,634	\$753,170

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

To the extent that OPH conducts the testing required by proposed law on a three-year schedule, this measure is anticipated to increase expenditures to OPH by a maximum of \$150,634 in FY 19 and future fiscal years. The measure provides that OPH shall test drinking water for secondary drinking water quality standards at no more than two water outlets/taps at elementary and secondary public and charter schools on a schedule to be determined by OPH. OPH indicates that it will incorporate these tests into its normal testing schedule, which is three years. There are approximately 1,353 elementary and secondary public and charter schools. A three-year testing schedule equates to approximately 451 schools being tested each year (1,353 schools/3 years). This fiscal note assumes that two water outlets/taps per school are tested. The cost for OPH to test one water sample is \$167. Therefore, the total cost of testing is anticipated to be \$150,634 each year (451 schools per year x 2 samples per school x \$167 per test).

Present law (Act 605 of the 2016 RLS) provides that OPH shall transfer up to \$500,000 in safe drinking water fee collections to the Louisiana Rural Water Association (LRWA) to offset its annual costs. Proposed law amends present law and provides that these funds shall be used by the LRWA to perform or assist in the performance of water quality testing at schools. Currently, these funds are used by the LRWA to operate its Rural Water Energy Conservation Program, which is a program that provides technical assistance to rural water and wastewater systems on how to detect water loss within their systems. The LRWA indicates that the conservation program will end if the funds can no longer be used for this purpose. This fiscal note assumes that the balance of the funds (\$349,366) will be used by the LRWA to perform or assist in the performance of water quality testing at schools.

\$150,634 - To be used by OPH to test secondary drinking water quality standards at public schools
 \$349,366 - To be transferred to the LRWA to perform or assist in the performance of water quality testing at schools
 \$500,000

NOTE: In FY 19, OPH projects to collect \$18,166,267 in safe drinking water fees, of which \$500,000 is anticipated to be remitted to the LRWA.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director