



**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**

Fiscal Note On: **HB 633** HLS 18RS 1000  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 28, 2018 6:44 PM	<b>Author:</b> HUNTER
<b>Dept./Agy.:</b> LDH/OPH	<b>Analyst:</b> Tanesha Morgan
<b>Subject:</b> Water testing	

WATER/DRINKING WATER EG +\$51,639,993 GF EX See Note Page 1 of 2  
 Provides relative to testing for lead in drinking water

Proposed law provides that the Office of Public Health (OPH) shall test community water systems for elevated levels of lead at least once per year. Proposed law also provide that safe drinking water fees remitted to the Louisiana Department of Health may be used to implemented and administer this testing.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$51,639,993	\$51,646,484	\$51,668,835	\$51,692,080	\$51,716,255	<b>\$258,363,647</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

This measure is anticipated to increase State General Fund expenses to OPH by \$51,639,993 in FY 19. The measure provides that OPH shall test all community water systems each year for elevated levels of lead, which is accomplished by testing water outlets at individual homes. There are 983 community water systems that serve approximately 1,596,491 homes. This fiscal note assumes that one water outlet/tap per home will be tested for elevated levels of lead each year. The cost for OPH to test one sample is \$32. Therefore, the total cost of testing is projected to be \$51,087,712 each year (1,596,491 samples x \$32 per test).

Additionally, due to the increased workload of sample testing and data management, OPH indicates that they will need to hire 5 sanitarians at an average cost of \$107,456 each in salaries and benefits, for a total of \$537,281. Each sanitarian will be supplied with a computer at a cost of approximately \$3,000 each, for a total of \$15,000.

This bill provides that safe drinking water fees remitted to LDH may be used to implement and administer this testing. In FY 18, OPH collected \$18,166,267 in safe drinking water fees, which was used to assist in paying \$19,589,169 in safe drinking water expenses. Since all of the current safe drinking water fee collections are being used to pay for existing expenses, the fee would need to be increased to pay for the cost of the additional lead testing or state general fund would be required to cover the cost. This fiscal note assumes that state general fund will be used.

NOTE: The Safe Drinking Water Fee was established by Act 125 of 2000 as a result of the Safe Drinking Water Act passed by Congress requiring all states to set up Safe Drinking Water Programs for primary enforcement responsibility of public water systems including testing of drinking water to ensure the safety of all citizens. OPH charges a \$100 annual flat rate to non-community water systems and \$12 fee per service connection to community water systems.

**Continued on page 2**

**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

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CONTINUED EXPLANATION from page one:

**Expenditure explanation continued from page 1**

**Local**

The proposed legislation will increase the expenditures of community water systems by an indeterminable amount. The systems are responsible for collecting and shipping water sample to the OPH lab for lead testing. Currently, the community water systems collect and ship approximately 5,570 samples per year. As a result of this measure they will be responsible for collecting and shipping approximately 1,590,921 additional water samples each year.

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}

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