

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



Fiscal Note On: **SB 168** SLS 20RS 93

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 4, 2020	3:50 PM	<b>Author:</b> MILLS, FRED
<b>Dept./Agy.:</b> LDH		<b>Analyst:</b> Tanesha Morgan
<b>Subject:</b> Drinking Water		

WATER QUALITY

EG SEE FISC NOTE LF RV

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Creates and provides for the Community Drinking Water Infrastructure Sustainability Act. (8/1/20)

Proposed law provides that LDH will implement a statewide accountability system that assesses letter grades to community water systems based on a clear and appropriate point value assigned, at a minimum, for federal water quality violation history, state water quality violation history, water system financial sustainability, operation and maintenance performance history, infrastructure violations, customer satisfaction, and level of secondary contaminants. Proposed law provides for the assignment of a letter grade of "A", "B", "C", "D", or "F". Proposed law provides that any community water system that receives a letter grade of "D" or "F" shall be considered operationally unacceptable and may be subject to present law enforcement actions including administrative compliance orders, court appointed receivership, or LDH mandated receivership. Proposed law provides that a receiver shall submit an improvement plan to LDH, which may include proposals such as a rate increase for users of the community water system.

<b>EXPENDITURES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</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	\$0	\$0	\$0	\$0	\$0	<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>

  

<b>REVENUES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Currently, through the Safe Drinking Water Program (SDWP) review process, LDH already has the data needed to assign grades to the water systems as required in this bill. Additionally, the SDWP has an existing enforcement section that can implement the receivership requirements provided in the bill.

**REVENUE EXPLANATION**

To the extent that a water system is appointed a receiver due to being assigned a grade of "D" or "F", the bill provides that a receiver may increase the rates paid by the users of the water system. The LFO cannot anticipate the amount of additional revenue that a water system may collect due to increased rates.

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*  


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**Evan Brasseaux**  
**Staff Director**