

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 64** SLS 24RS 78

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 1, 2024	4:04 PM	Author: REESE
Dept./Agy.: Division of Administration		Analyst: Tanesha Morgan
Subject: Water Sector Program		

FUNDS/FUNDING

EG SEE FISC NOTE

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Provides for changes to the Water Sector Program. (gov sig)

Present law creates the Water Sector Fund within the treasury and authorizes the treasurer to transfer \$300 M from the LA Rescue Plan Fund into the Water Sector Fund. Proposed law removes the outdated reference to a previous transfer of funds and otherwise retains present law. Present law creates the Water Sector Program to provide grant funding for repairs, improvements, and consolidation of community water and sewer systems. Proposed law retains present law. Present law requires the DOA to promulgate guidance for the administration of the program. Proposed law further requires the inclusion of grant requirements and procedures for the consideration of extension requests and adjustments to grant awards in the guidance and otherwise retains present law. Proposed law requires that a rate study be completed on each grant recipient. Proposed law prohibits the Water Sector Commission from considering a request to adjust a grant award due to an increase in project costs until the grantee has submitted a value engineering review of the project to the division.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The LFO is working with the Division of Administration (DOA) to determine the expenditure impact, if any, of the changes adopted by the Senate Committee on Finance. This note will be updated when additional information becomes available.

The bill provides several changes to the Water Sector Program, including mandating that funds deposited into the Water Sector Fund after July 1, 2024, be used solely for grants for repairs, improvements, and consolidation of community water and sewer systems. It establishes a detailed process for developing guidance, applications, ratings, and recommendations for new grants awarded after July 1, 2024, involving the Water Sector Commission, the Division of Administration, and the JLCB. The bill also requires grant recipients to provide matching funds unless waived by the commission and stipulates that the JLCB has final approval over grant awards and expenditures from the fund.

REVENUE EXPLANATION

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

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer