



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 995** HLS 16RS 1722
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | |
|--|--------------------------------|
| Date: April 21, 2016 5:06 PM | Author: JONES |
| Dept./Agy.: Health & Hospitals/Office of Public Health | Analyst: Patrice Thomas |
| Subject: Increases the Admin. Fee for Safe Drinking Water Program | |

WATER/DRINKING WATER OR +\$13,461,600 SG RV See Note Page 1 of 1
 Increases the safe drinking water administration fee

Proposed law increases the administration fee for the Safe Drinking Water Program from \$3.20 (water systems retain \$0.32) to \$12 (water systems retain \$0.60). Proposed law requires fee revenue shall be used by the Department of Health & Hospitals, Office of Public Health (OPH) to administer the Safe Drinking Water Program.

| EXPENDITURES | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| 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 | | | | | | |

| REVENUES | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$13,461,600 | \$13,461,600 | \$13,461,600 | \$13,461,600 | \$13,461,600 | \$67,308,000 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE | |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

The proposed legislation requires all revenue generated from the fee increase to be used by the Office of Public Health (OPH) to administer the Safe Drinking Water Program.

REVENUE EXPLANATION

Office of Public Health

The proposed legislation increases Fees and Self-Generated Revenues by \$13,461,600 in FY 17 and in future fiscal years within the Department of Health & Hospitals, Office of Public Health (OPH). The proposed legislation increases the existing administration fee of the Safe Water Drinking Program from \$3.20 (water systems retain \$0.32) to \$12 (water systems retain \$0.60). See table below.

| | Number of Customers | Current Fee | Proposed Fee | Projected Revenue |
|---------------------------------|---------------------|-------------|--------------|-------------------|
| Safe Drinking Water Admin. Fee* | 1,580,000 | \$2.88 | \$11.40 | \$13,461,600 |

*Amount of fee submitted to OPH from water systems

Public Water Systems

The proposed legislation increases the Safe Water Drinking Program administration fee retained by water systems from \$0.32 to \$0.60. To the extent some of the 1,341 water systems are owned by local governmental units, the \$0.28 fee increase is anticipated to increase local revenues by an indeterminable amount.

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| Senate | <u>Dual Referral Rules</u> | House |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux

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Staff Director