



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0672 - Generally revise environmental protection laws (Fitzpatrick, John)

Status: As Amended in House Committee

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
Expenditures:				
General Fund	\$1,862,700	\$1,862,700	\$1,862,700	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$1,862,700)</u>	<u>(\$1,862,700)</u>	<u>(\$1,862,700)</u>	<u>\$0</u>

Description of fiscal impact: HB 672 requires the Department of Environmental Quality to pay for all sampling costs for any community water system that has between 15 and 50 services connections installed on or before July 1, 2025, and uses ultraviolet light for disinfection.

FISCAL ANALYSIS

Assumptions:

1. There are 266 community water systems that could be eligible for sampling cost reimbursement.
2. Each system will have a certified operator.
3. There are 251 groundwater systems and 15 ground water purchase systems. Laboratory analysis fees average \$4,500 for each groundwater system annually, and \$1,000 for each groundwater purchase system annually, for a total cost of \$1,144,500 per year for FY 2024, FY 2025, and FY 2026.
4. Operator expenses to collect required samples average \$1,500 per system annually, for a total cost of \$430,500 per year for FY 2024, FY 2025, and FY 2026.
5. Shipping costs for samples average \$100 per system monthly, for a total cost of \$344,400 per year for FY 2024, FY 2025, and FY 2026.


6. While the bill terminates, December 31, 2025, the department anticipates that there will be the same level expenditures in FY 2026 as it would have in the previous fiscal years. The bill is effective on passage and approval, but the department does not anticipate expenses to begin to occur until FY 2024.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$1,862,700	\$1,862,700	\$1,862,700	\$0
TOTAL Expenditures	<u>\$1,862,700</u>	<u>\$1,862,700</u>	<u>\$1,862,700</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$1,862,700	\$1,862,700	\$1,862,700	\$0
TOTAL Funding of Exp.	<u>\$1,862,700</u>	<u>\$1,862,700</u>	<u>\$1,862,700</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$1,862,700)	(\$1,862,700)	(\$1,862,700)	\$0

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date


Budget Director's Initials

3-14-23
Date