

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION
Revision 1

May 2, 2017

TO: Honorable Dan Huberty, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2395** by Collier (Relating to testing for lead contamination in public school drinking water.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2395, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from Water Resource Management 153	Change in Number of State Employees from FY 2017
2018	(\$1,246,359)	8.0
2019	(\$612,759)	8.0
2020	(\$612,759)	8.0
2021	(\$612,759)	8.0
2022	(\$612,759)	8.0

Fiscal Analysis

The bill would amend Texas Health and Safety Code, Chapter 341, to require each school district and open-enrollment charter school to conduct drinking water lead contamination tests every five years, with certain exceptions for school districts or open-enrollment charter schools with fewer

than 1,000 students. If a test shows elevated lead levels in the drinking water, the school district or open-enrollment charter school would be required to continue weekly testing and provide safe, potable drinking water. The bill would require the test results and any lead remediation plan be made available to the public, and be provided to the Texas Commission on Environmental Quality (TCEQ) and local health authorities. TCEQ would be required to submit a report that includes the findings from the testing conducted on December 1 of each even-numbered year.

The bill would take effect September 1, 2017.

Methodology

TCEQ provided cost estimates based on the assumption that the agency would be receiving reports from approximately 9,300 schools and open-enrollment charter schools; costs could be reduced if fewer facilities were subject to the provisions of the bill. TCEQ estimates that rulemaking, determining a safe level of lead in drinking water, and preparing the report could be done using existing resources.

Based on estimates provided by TCEQ, it is assumed that a database would have to be developed that could store, receive, and evaluate the data submitted to the agency from schools, and that this database contract cost would be \$600,000 in fiscal year 2018. This analysis assumes that the recurring maintenance costs could be absorbed using existing resources.

This analysis assumes, based on estimates provided by TCEQ, that one systems analyst would be required to maintain and manage databases for the program, run reports, and interact with the database contractor as needed; 6.0 environmental investigators would be required to handle investigations of public water systems and other investigations of the affected entities; and one program supervisor would be required to oversee the implementation of the bill. Total cost associated with these 8.0 FTEs would be \$646,359 in fiscal year 2018 and \$612,759 in future fiscal years.

Technology

This analysis assumes, based on estimates provided by TCEQ, that a database would have to be developed that could store, receive, and evaluate the data submitted to the agency from schools, and that this database contract cost would be \$600,000 in fiscal year 2018. This analysis assumes that the recurring maintenance costs could be absorbed using existing resources.

Local Government Impact

The Texas Education Agency estimates the cost to test the potable water outlets per building would be \$2,000 to \$3,000. TEA estimates the statewide cost would be approximately \$22.0 million (\$2,500 x 8,685 campuses) over a five-year period. School districts and charter schools would vary in implementation because the bill would allow districts and charters that have completed first-draw tap test during the 36-month period preceding September 1, 2017 to comply with the provisions of the bill beginning in school year 2020-21. Additionally, districts and charters with fewer than 1,000 students that are unable to secure funding for the tests from grants or donations would not be required to conduct first-draw tap tests otherwise required by the bill.

Source Agencies: 537 State Health Services, Department of, 701 Texas Education Agency, 582 Commission on Environmental Quality

LBB Staff: UP, THo, EP, RD, SD, AW, RC, TBo, MW, MSO