

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 9, 2017

TO: Honorable Charles Perry, Chair, Senate Committee on Agriculture, Water & Rural Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1587 by Garcia (relating to lead in drinking water at public schools.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1587, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2019, assuming the agency implements the program. The agency is not required to implement the legislation in the absence of an appropriation.

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	(\$585,339)	7.0
2019	(\$555,939)	7.0
2020	(\$555,939)	7.0
2021	(\$555,939)	7.0
2022	(\$555,939)	7.0

Fiscal Analysis

The bill would amend Texas Health and Safety Code, Chapter 341 to require public water systems to provide public schools served by the public water system any information in its possession relating to the location of lead service lines; affected schools would be required to determine which buildings received drinking water through lead service lines and to report the information to the Texas Commission on Environmental Quality (TCEQ).

The bill would allow schools to conduct regular testing of drinking water outlets for the presence of lead; if it occurred, testing would be required to be conducted by a laboratory certified by the executive director of TCEQ, and in accordance with sampling and testing methods specified by the Environmental Protection Agency (EPA) and technical guidance issued by TCEQ. The bill would require any school that performs testing to submit to TCEQ and the Texas Education Agency (TEA), as well as keep physical copies and public online records of, any information on testing activities and results. The school or facility would be required to notify parents, teachers, and employees organizations of the availability of this information, and designate a contact person for communications with TCEQ and the public.

The bill would require TCEQ to post technical guidance for lead testing on the agency's website. The bill would require TCEQ to submit a report to the legislature and the governor that includes a summary of any testing done by public schools under the provisions of the bill by December 1 of each even-numbered year. The bill provides information on when public water systems, TCEQ, and public schools would be required to implement the various provisions of the bill.

The bill would require TCEQ to implement the provisions of the bill only if the Legislature appropriates funding specifically for that purpose and would allow the agency to implement the provisions using other appropriations if available. The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house, or on September 1, 2017.

Methodology

TEA estimates that implementing the bill will have no fiscal impact.

This analysis estimates the costs of implementing the provisions of the bill assuming that either the Legislature appropriates money specifically for that purpose or that the TCEQ identifies available funds. This analysis is also based on TCEQ's assumption of interacting with approximately 9,300 affected schools. TCEQ estimates that, based on the number of schools and facilities that would be submitting test results and reports, 7.0 FTEs would be required, including a program supervisor; an administrative assistant; 2.0 general engineering specialists to review submitted lead service line information, reports by schools that have conducted testing and remediation measures, and provide technical assistance; and 3.0 natural resource specialists to review, process, and track data from submitted reports and provide other operational services. TCEQ estimates that the costs of these FTEs would total \$585,339 in fiscal year 2018 and \$555,939 in future fiscal years.

Local Government Impact

According to TEA, schools that voluntarily choose to do testing may incur testing and remediation costs. Additionally, Districts may incur nominal costs associated with required reporting and review of information.

Source Agencies: 582 Commission on Environmental Quality, 701 Texas Education Agency
LBB Staff: UP, SZ, MW, MSO, JGA