

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 15, 2019

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

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB997 by Collier (Relating to testing for lead contamination in public school drinking water.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB997, As Introduced: an impact of \$0 through the biennium ending August 31, 2021; however, there will be decreases to General Revenue-Dedicated Water Resource Management Account No. 153.

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
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from Water Resource Management 153	Change in Number of State Employees from FY 2019
2020	(\$619,934)	8.0
2021	(\$500,366)	8.0
2022	(\$501,966)	8.0
2023	(\$503,606)	8.0
2024	(\$505,286)	8.0

Fiscal Analysis

The bill would amend the Health and Safety Code 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 the amount of lead in the water exceeds the level considered safe for consumption, the school district or open-enrollment charter school would be required to prevent access to the water until it has implemented a lead remediation plan and conducted tests confirming the water is safer for consumption. The bill would require school districts or open-enrollment charter schools to make test results and any lead remediation plan available to the public and provide them to local health authorities.

Methodology

Based on information provided by the Commission on Environmental Quality, this analysis assumes that costs necessary to implement the provisions of the bill would total \$1,119,760 for the 2020-21 biennium, with a five year impact of \$2,630,617 in General Revenue-Dedicated Water Resource Management Account No. 153. Costs include salaries for 8.0 FTEs, other operating costs, travel, capital equipment (i.e. vehicles), and benefits.

Legislative Budget Board analysis assumes the Commission on Environmental Quality would require one Program Manager VI (1.0 FTEs), one System Analyst III (1.0 FTEs), and six Natural Resources Specialists (6.0 FTEs). Based on LBB analysis, the additional FTEs would have a combined fiscal year cost of \$434,742 for salaries (\$322,198) and related benefits (\$112,544). A one-time cost of \$69,300 is estimated to be needed for investigator vehicles. Additionally, it is estimated the agency would require funding for travel and other operating expenses.

Under current law, the Commission on Environmental Quality has the authority and responsibility to assess penalties for certain violations of the Health and Safety Code and this legislation would not alter the agency's authority and responsibility to assess penalties. This analysis assumes the Commission on Environmental Quality would have certain enforcement authority and responsibilities regarding compliance by school districts and open-enrollment charter schools with the provisions of the bill. Cost estimates are based on the assumption that the agency would be verifying testing results for approximately 9,500 schools and open-enrollment charter schools and reviewing lead remediation plans for noncompliant water outlets.

Local Government Impact

According to the Texas Association of Counties and the Texas Municipal League, no significant fiscal implication to units of local government is anticipated.

The Texas Education Agency assumes school districts and charter schools would incur costs of ranging from \$2,000 to \$3,000 per building to perform the testing required by the bill. Districts and charters may also incur costs related to remediation under the bill. However, because the number of noncompliant water outlets is not known, those costs cannot be determined at this time.

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

LBB Staff: WP, CPa, MW, TBo, GDz, AMa, AF, ASa, PM