

FISCAL NOTE

HB 745 - SB 737

March 13, 2007

SUMMARY OF BILL: Authorizes the Water Quality Control Board and the Department of Environment and Conservation to gather certain data and promulgate certain rules and regulations pursuant to the "Safe Drinking Water Act" in an effort to monitor and reduce the amount of water leakage occurring within public water systems.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Other Fiscal Impact – There will be an increase in state revenues associated with the bill. The bill provides for fines ranging from \$50 to \$5,000 per day for excess water leakage. The state would incur an increase in revenues from such fines. The magnitude of such increase cannot reasonably be estimated without knowing the threshold which defines excess leakage and without knowing how much leakage is currently taking place. If a local government entity providing water is deemed to be responsible for such leakage and the applicable fines are paid by local governments, there will be an increase in local government expenditures. The magnitude of such increase cannot be reasonably estimated based upon the unknown factors related to current leakage and the definition of excess leakage.

Assumptions:

- An increase in state expenditures to promulgate the rules and regulations as authorized by the bill and to review submissions from local government water systems concerning the amount of leakage occurring annually. Such increase is estimated to be not significant.
- An increase in local government expenditures to provide the state with the information required by the bill. Such increase is estimated to be not significant.

- An increase in state revenues attributable to the collection of fines.
- An increase in local government expenditures attributable to the payment of fines.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director