

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO ELIMINATE THE PRESENCE OF LEAD IN THE DRINKING WATER OF CERTAIN FACILITIES WHERE CHILDREN ARE PRESENT.

Prime Sponsors: Representative Sirota
Sens. Winter and Fields

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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/08/22.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House Public & Behavioral Health & Human Services Committee Report (04/12/22) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill. The fiscal note identifies the \$33,100,000 cash funds from School and Child Care Clean Drinking Water Fund as a cash fund appropriation, however, JBC staff believes these dollars should be appropriated as reappropriated funds.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.008/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$67,506,670 to the Department of Public Health and Environment for FY 2022-23, including \$34,406,670 General Fund and \$33,100,000 reappropriated funds. This provision also states that the appropriation is based on the assumption that the Department will require an additional 8.0 FTE. Of the General Fund appropriation, \$505,498 is reappropriated to the Governors Office of Information Technology.

L.008 and J.002

Bill Sponsor amendment **L.008** (attached) strikes everything below the enacting clause and reduces expenditures around several components when compared to the introduced bill. Staff has prepared **J.002** (attached) to add a provision appropriating a total of \$38,648,019 to the Department of Public Health and Environment for FY 2022-23, including \$20,648,019 General Fund and \$18,000,000 reappropriated funds. This provision also states that the appropriation is based on the assumption that the Department will require an additional 8.0 FTE. Of the General Fund appropriation, \$505,498 is reappropriated to the Governors Office of Information Technology. The introduced version of the bill accounted for all schools within the state and required all schools to perform a drinking water inventory, as well as provide one bottle filling stations for every 100 students or children. In addition the introduced version of the bill required remediation on all water levels above 1 parts per billion of lead. L.008 removes the inventory and bottle filling station requirements and raises the testing costs while also raising the remediation levels for lead to over 5 parts per billion.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$1,306,670 for FY 2022-23, reducing the \$40.0 million set aside by the same amount.

This bill also creates a one-time obligation and requires a General Fund appropriation of \$33.1

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million for FY 2022-23, reducing the \$900.0 million set aside by \$38,065,000 in order to maintain a 15.0 percent statutory General Fund reserve.

L.008, if adopted, would create a one-time obligation and requires a General Fund appropriation of \$18.0 million for FY 2022-23, reducing the \$900.0 million set aside by \$20.7 million in order to maintain a 15.0 percent statutory General Fund reserve.