

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 490** HLS 19RS 816  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 23, 2019 4:56 PM	<b>Author:</b> GAINES
<b>Dept./Agy.:</b> Environmental Quality	<b>Analyst:</b> David Neef
<b>Subject:</b> Testing of facilities for lead and mercury hazards	

ENVIRONMENT OR +\$695,598 SD EX See Note Page 1 of 2  
 Provides relative to testing child-occupied facilities for lead and mercury hazards

Present law provides for inspections, reports and record keeping as it relates to lead hazards within the state including definitions of child-occupied facilities, public and non-public schools, day care centers, parks, playgrounds and community centers. Provides for a data collection program and reporting requirements. Proposed legislation expands the scope of the collection program to include mercury hazard reduction activities, expands the definition of affected facilities, expands the requirements for owners to have inspections conducted and to report the findings to the Department of Environmental Quality and the state health officer for inclusion in the annual Louisiana Health Report Card.

<b>EXPENDITURES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$695,598	\$648,142	\$342,327	\$349,066	\$355,939	<b>\$2,391,072</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						

  

<b>REVENUES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There will be an increase in staffing (8 positions) and expenditures (\$675,598 in FY 20) for the Department of Environmental Quality to expand the number and scope of annual inspections. The Department of Health (LDH) indicated additional staff may be required to compile and report data, however until such time that the extent of the additional reporting is known, LDH is unable to provide a specific increase. There will be a significant increase in costs for local school systems to pay for the increased inspections required of school buildings in the district. Local municipalities will also be affected due to the expanded definition of parks and playgrounds which must be inspected.

DEQ is required to conduct inspections at those locations with a report indicating hazardous materials. In order to address the proposed expansion of the buildings to which the testing requirements apply, DEQ estimates a need for two (2) job appointed Environmental Project Specialists (\$141,432 salaries and related benefits) for the first 2 years to review the bulk of reports projected to be received by February 1, 2020, and two (2) permanent Environmental Scientists (\$161,922 salaries and related benefits) to conduct inspections. In order to address the collection and analysis of data on mercury hazard and reduction activities, the department will need to establish a new program to perform mercury testing which is currently not being done. This will require two (2) permanent Environmental Scientists (\$161,922 salaries and related benefits) and two (2) job appointed Environmental Scientists (\$161,922 salaries and related benefits) for the first 2 years of the program. Additional annual operating expenses include fuel costs (\$2,400); and \$750 for each position for supplies, uniforms, computer equipment, and professional dues (\$6,000). In FY 20 there will be one-time acquisition expenditures for the purchase of two vehicles (\$60,000).

The department certifies lead workers and inspectors. DEQ indicated that the current number of certified inspectors may be insufficient to meet the testing requirements of the bill. Should there be an increase in the number of individuals seeking certification, DEQ may require additional staff to process certifications and conduct testing. This potential workload adjustment is not included in the cost estimate above. Furthermore, DEQ indicated associated certification fee collections would not likely be sufficient to fully fund this staffing increase. **Continued on Page 2**

**REVENUE EXPLANATION**

There may be an increase in fee revenue to the extent that additional workers/inspectors apply for certification as a result of the potential increase in available work. Additionally, as part of the establishment of a mercury program DEQ would likely require similar fees for those individuals seeking certification in that area.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
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**Staff Director**

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**CONTINUED EXPLANATION from page one:**

There will be a workload adjustment for the Department of Health. LDH extracts the sampling data from the inspection reports, enters it into a database and compiles it annually for the Health Report Card. LDH anticipates a significant increase in the number of reports it would review, but indicated that without a definitive number of reports, it is unable to assess increased staffing needs.

Local school districts will incur significant costs to have school facilities inspected. DEQ indicated that the inspection of an average K-5 elementary school for a first floor only plus soil samples (not including non-exposed areas like attics and mechanical rooms) would cost \$2,500 and would increase in costs if additional floors were required. It also indicated that a larger school would cost upwards to \$10,000 if a surface by surface inspection plus soil was required. There are over 1,400 public schools in the state. Thus, the cost to districts to inspect larger and multiple school buildings could be significant.

Municipalities will incur additional costs to inspect parks and playgrounds which are now defined in the proposed legislation. The LFO is unable to determine the number of locations which might be affected.

Senate Dual Referral Rules

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

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