

FISCAL NOTE

HB 2669 - SB 3044

February 6, 2008

SUMMARY OF BILL: Enacts the “Drinking Water Access and Resources Planning Act of 2008”. Establishes a water management planning council in each county. Authorizes counties to form a multi-county water management planning council. Requires such councils, by December 31, 2009, to develop maps showing existing service areas, un-served areas, underserved areas, which public water systems should make economic water line extensions to serve un-served and underserved areas. The plan should also include a forecast of drinking water needs for 5, 10, 15, and 20 years after 2009. Plans should prioritize water improvement needs within the area. All plans would be submitted to the Utility Management Review Board, the Water and Wastewater Financing Board, and the Department of Environment and Conservation. Authorizes the Comptroller of the Treasury to contract with the Tennessee Association of Utility Districts and/or MTAS to provide assistance on behalf of the Utility Management Review Board and the Water and Wastewater Financing Board. Establishes a dedicated “Drinking Water Access and Resources Fund” as a separate account in the State Treasury. Loans, grants, and guarantees may be made to local governments from such fund. The General Assembly would be authorized to make appropriations to the fund. Prohibits counties that have not submitted the required plan by January 1, 2010 from receiving Community Development Block Grants or Tennessee FastTrack Infrastructure Development Program funds.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Less than \$100,000

Increase Local Expenditures* – Exceeds \$100,000

Other Fiscal Impact – The bill establishes “The Drinking Water Access and Resources Fund” and authorizes the General Assembly to make appropriations to the fund. The amount of such appropriation is unspecified. Therefore, any increase in state expenditures associated with such fund cannot be quantified.

Assumptions:

- An increase in state expenditures of less than \$100,000 for the Comptroller of the Treasury to contract with MTAS and the Tennessee Association of Utility Districts to enable the Utility Management Review Board and Water and Wastewater Financing Board to carry out the functions required by the bill.
- An increase in local government expenditures estimated to exceed \$100,000 for the planning and mapping activities required by the bill.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost*

CERTIFICATION:

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



James W. White, Executive Director

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