

# FISCAL NOTE

**STATE OF ALASKA**  
**2010 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version:                     **HB 318**                      
 () Publish Date: \_\_\_\_\_

Identifier (file name): HB318-DEC-CO-02-19-2010 Dept. Affected: Environmental Conservation  
 Title Unregulated Potable Water Systems RDU Environmental Health & Water Quality  
 Sponsor Representative Harris Component Drinking Water  
 Requester Community and Regional Affairs, Resources Component Number 2066 & 637

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required		Information				
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<b>OPERATING EXPENDITURES</b>							
Personal Services		(5,909.7)					
Travel		(310.7)					
Contractual		(1,374.2)					
Supplies		(223.4)					
Equipment		(20.0)					
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>(7,838.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>							
<b>CHANGE IN REVENUES ( )</b>							

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts		(5,644.7)					
1003 GF Match		(1,986.6)					
1004 GF							
1005 GF/Program Receipts		(206.7)					
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>(7,838.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

**POSITIONS**

Full-time		(66.0)					
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

If HB 318 becomes law, the Environmental Protection Agency (EPA) has indicated that they will withdraw approval of the Department's drinking water regulatory program. Loss of primacy for the Drinking Water Program would mean loss of \$5.6 million annually in federal grant funds for the program. In addition, EPA would implement the program with much less flexibility and concern for local issues than the State.

(continued on page 2)

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 Approved by: Larry Hartig  
Commissioner

Phone (907) 269-7645  
 Date/Time 2/23/2010 @ 11am  
 Date 2/23/2010

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### ANALYSIS CONTINUATION

In addition to the decrements shown above, Alaska would also become ineligible for the annual federal grants for the low-interest Drinking Water Loan Program. EPA provides approximately \$13 million each year that the State deposits into a loan fund from which loans are made to municipalities for drinking water infrastructure projects. These annual capitalization grants would be lost to the state and our municipalities.

This bill would also reduce EPA funding received by the Environmental Health Laboratory used to certify private laboratories so they can provide testing services to public drinking water systems.