

Terry Steele

Fiscal Note & Local Impact Statement

Bill:	H.B. 214 of the 131st G.A.	Date:	April 4, 2016
Status:	As Introduced	Sponsor:	Rep. Thompson

Local Impact Statement Procedure Required: No

Contents: Restricts when a public authority can prefer certain piping materials for water projects that are partly or wholly supported by state money

State Fiscal Highlights

• No direct fiscal effect on the state.

Local Fiscal Highlights

• The bill restricts when a public authority can prefer certain piping materials for water, sewer, or storm water drainage projects that are either entirely or partly funded with state money. It is unclear as to whether these preferences that apply to such projects currently are resulting in increased material costs, or whether scrapping these preferences would save on installation and maintenance costs over time.

Detailed Fiscal Analysis

The bill prohibits a public authority from preferring one type of suitable piping material over another in constructing, developing, maintaining, rebuilding, improving, repairing, or operating a water, waste water, or storm water drainage project that receives state funding unless sound engineering practices suggest that one type of piping material is more appropriate for that particular project. The fiscal impact of such material restrictions is unclear with respect to the procurement, installation, and maintenance costs for piping materials. This is because some municipalities may have ordinances limiting the type of materials and size of piping. Therefore, in such cases, the bill could result in either cost reductions or cost increases for materials based on these ordinances. The types of piping material used for water and sewer projects can include reinforced concrete, ductile iron, polyvinyl chloride (PVC), high density polythylene (HDPE), or fiberglass reinforced "HOBAS" products, among others.

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