

STORAGE NAME: h1505s1.ep

DATE: April 7, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
ENVIRONMENTAL PROTECTION
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: CS/HB 1505

RELATING TO: Public Water Systems

SPONSOR(S): By the Committee on Environmental Protection and Representative Smith

STATUTE(S) AFFECTED: s.381.0062, F.S.

COMPANION BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) ENVIRONMENTAL PROTECTION YEAS 9 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

CS/HB 1505 amends s. 381.0062, F.S., to reduce the minimum fee charged by the Department of Health (DOH) to private and commercial public water systems not covered or included in the Florida Safe Drinking Water Act. The bill also removes the requirement for annual bacteria testing as a condition for exemption from an annual operating permit for a limited-use public water systems. In addition, the definition of "public consumption" is amended to strike the references to "hairwashing" and "showers".

The bill is anticipated to have no fiscal impact.

This act shall take effect July 1, 1997.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The DOH oversees the regulation of limited-use community and commercial public water systems and private water systems. Specific authority is granted under s. 381.0062, F.S., which directs that standards and permits be issued to ensure that these systems meet satisfactory standards for human consumption. The statute also provides for the granting of exemptions, from annual permitting requirements, for the owner of a limited-use commercial public water system which does not make tap water available for public consumption, provided they:

1. Register with the department;
2. Perform an initial water quality clearance of the water supply well;
3. Conduct annual testing for bacteria in the form of one satisfactory microbiological sample per calendar year. In the event that the establishment changes ownership or business activity, re-registration is required; and
4. Pay a registration fee of \$15.

"Public consumption" is defined to mean the oral ingestion or physical contact with water for any purpose other than cleaning work areas or simple hand washing. Examples of public consumption include: when making food or beverages available to the public; water used for washing food, cooking utensils, or food service areas; hair washing, showers; washing surfaces accessed by children as in a child care center; washing medical instruments; and water used in schools.

The 1996 Legislature adopted Chapter 96-303, Laws of Florida, to conform Florida law to federal water quality regulations and to ensure compliance with Florida plumbing codes. Specifically the act provided the definition for "public consumption" in order to provide a standard for identifying which water supply systems will be required to meet established codes and regulations. Additionally, the act, provided the exemption described in a previous paragraph.

B. EFFECT OF PROPOSED CHANGES:

The proposed bill would reduce the minimum fees charged private and public water systems not covered or included in the Florida Safe Drinking Water Act. The revised range of fees would be not less than \$10 or more than \$90 annually.

Annual testing for bacteria will no longer be required for exemption from an annual operating permit for limited-use public water systems; however to retain potable water status it is recommended that the system conduct one microbiological test per calendar year. Additionally, the definition of "public consumption" is amended to remove reference to "hairwashing" and "showers".

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No

(3) any entitlement to a government service or benefit?

No

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No

b. Does the bill require or authorize an increase in any fees?

No

- c. Does the bill reduce total taxes, both rates and revenues?

No

- d. Does the bill reduce total fees, both rates and revenues?

Yes, the bill reduces the minimum fee charged for water systems.

- e. Does the bill authorize any fee or tax increase by any local government?

No

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Not applicable

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Yes, the bill makes optional the requirement for annual bacteria testing for limited-use commercial public water systems if they meet water quality standards.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. SECTION-BY-SECTION RESEARCH:

Section 1: Amends s. 381.0062, F.S., to delete the words "hairwashing" and "showers" from the definition of "public consumption". The bill also reduces to \$10 the minimum fee charged for private and certain public water systems under the Department of Health's jurisdiction. It removes annual bacteria testing from the criteria for exemption from the annual operating permit for any limited-use commercial public water system.

Section 2: This act shall take effect July 1, 1997.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N./A

2. Recurring Effects:

The DOH does not anticipate a significant reduction in revenues due to the lower minimum fee charged.

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

See A(2)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

Some water systems could experience less expense by the lowering of the fee range.

2. Direct Private Sector Benefits:

Owners of limited-use commercial water systems who choose to accept the terms of the exemption would no longer be required to conduct annual bacteria testing. Owners of private and public water systems could experience less expense by the reduction in fees charged for water systems. Estimates of savings range from \$10 to \$20 per year, per business.

3. Effects on Competition, Private Enterprise and Employment Markets:

None

D. FISCAL COMMENTS:

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or to take action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the revenue raising authority of cities or counties.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the amount of a state tax shared with cities and counties.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On 3/31/97 the Committee on Environmental Protection adopted the bill as a Committee Substitute. One amendment was adopted which removed the entire bill and inserted replacement language. The amendment: reinstates current conditions for exemption with the exception of annual testing for bacteria (which is optional); amends the definition of public consumption to strike the words "hairwashing" and "showers"; and reduces to \$10 the minimum fee charged for private and certain public water systems.

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VII. SIGNATURES:

COMMITTEE ON ENVIRONMENTAL PROTECTION:

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