

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2025 REGULAR SESSION**

**MEASURE**

2025 BR NUMBER 1361

HOUSE BILL NUMBER 741 HCS1

**TITLE** AN ACT relating to public water and wastewater systems.

**SPONSOR** Representative Jason Petrie

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  
 LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE  STATE  
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: Kentucky Infrastructure Authority

FUND(S) IMPACTED:  GENERAL  ROAD  FEDERAL  RESTRICTED \_\_\_\_\_

FISCAL ESTIMATES	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES			
NET EFFECT			

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** This measure would amend several sections of KRS 224A.320, which would impact the application requirements of eligible funding recipients for the Kentucky Infrastructure Authority (KIA) administered Kentucky Water and Wastewater Assistance for Troubled or Economically Restrained Systems (WWATERS) Program.

**FISCAL EXPLANATION:** While most of the changes proposed in this bill would be the responsibility of the applicant to address, under Section 1, subsection (5), the KIA board shall adopt a “best management practices” criteria for application to the program to meet, a process that could be absorbed by the agency. The “best management practices” include water loss reduction and stormwater inflow/groundwater infiltration reduction. It is unclear if KIA personnel have the expertise to assess these criteria, potentially leading to fiscal impacts from increased technical requirements and administrative costs.

**DATA SOURCE(S):** LRC Budget Review

**PREPARER:** Emma Mills **NOTE NUMBER:** 181 **REVIEW:** JMR **DATE:** 3/13/2025