

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2026 REGULAR SESSION**

MEASURE

2026 BR NUMBER 149

HOUSE BILL NUMBER 651 HCS 1

TITLE AN ACT relating to public water and wastewater systems and delcaring an emergency.

SPONSOR Representative Josh Bray

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 | 2025-2026 | 2026-2027 | 2027-2028 | ANNUAL IMPACT AT FULL IMPLEMENTATION |
|------------------|-----------|-----------|-----------|--------------------------------------|
| REVENUES | | | | |
| EXPENDITURES | | | | |
| NET EFFECT | | | | |

() indicates a decrease/negative

PURPOSE OF MEASURE: This measure amends several sections of KRS 224A.320, which 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 establish 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. If an additional staff member is needed, it would increase personnel costs by approximately \$100,000 per fiscal year.

DATA SOURCE(S): LRC Staff

PREPARER: Sara Rome **NOTE NUMBER:** 91 **REVIEW:** JMR **DATE:** 3/4/2026