Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

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FISCAL IMPACT REPORT

		ORIGINAL DATE	2/10/17	
SPONSOR	Cervantes	LAST UPDATED	НВ	

SHORT TITLE Study Lead Contamination SJM 15

ANALYST Armstrong

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0-\$70.0			Nonrecurring	NMED operating
					C C	budget

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Response Received From</u> NM Environment Department (NMED)

SUMMARY

Synopsis of Senate Joint Memorial

Senate Joint Memorial 15 (SJM15) requests that NMED assess the risk of lead contamination in drinking water to New Mexicans and testify to the interim Water and Natural Resources Committee by December 2017.

FISCAL IMPLICATIONS

Based on the joint memorial's "whereas" statements, the concern is about public water systems for which NMED has data necessary to provide the requested assessment and testimony. However, SJM15 does not specify whether the requested assessment is intended to include private domestic well drinking water sources or only public systems. If private wells are included, significant additional staff time would be required because the agency does not currently regulate or have water quality data from non-public drinking water systems. NMED estimates the cost could be more than \$70 thousand.

SIGNIFICANT ISSUES

Lead-contaminated drinking water in Flint, Michigan, drew nationwide attention in 2016. Analysis of EPA data showed 17 New Mexico public drinking water systems, including mutual domestic associations, schools, prisons, casinos, and hospitals, were found to have elevated levels of lead since 2012.

Senate Joint Memorial 15 – Page 2

NMED's Drinking Water Bureau (DWB) provides public water system guidance and oversight to monitor compliance with the federal Safe Drinking Water Act (SDWA) and New Mexico drinking water regulations, including the SDWA's lead and copper rule. Compliance monitoring is based on the sampling design that was developed to meet the requirements of the lead and copper rule, as incorporated by state regulations. Any analysis performed on data collected for compliance purposes would not constitute a risk assessment of lead contamination to New Mexicans. Compliance determinations conducted by the DWB are limited to comparing drinking water standards, or lead action levels, to the data obtained through compliance monitoring at public water systems. These data are not sufficient to comprehensively assess the risk of lead contamination to New Mexicans. Additionally, schools and daycare facilities in particular, where water is served to young children, are not typically included as part of the sampling design for determining compliance with the lead and copper rule.

According to NMED, a comprehensive statewide risk assessment would require additional monetary and staff resources and would take multiple years to properly design, collect and analyze samples, and complete the assessment to determine the extent of potential lead exposure to New Mexicans. While there are currently risk levels established for lead in drinking water based on adverse human health effects, any new or additional risk assessment should include, if not be led by, experts in the medical health field, as NMED DWB's expertise is limited to water quality and environmental assessments.

DWB monitors every public water system for compliance with lead according to the approved locations in the sampling plan, and NMED notifies the system of any violations and required corrective action. DWB also takes protective measures through offers of assistance to system operators or by taking enforcement actions when necessary and appropriate to ensure systems return to, or maintain compliance with, applicable rules. Specifically, in 2017 DWB is developing an expanded assistance program to offer free volunteer testing for lead in buildings that serve vulnerable customers. DWB has also developed a guidance document for schools and daycare facilities to monitor for lead contamination on their own as a part of building maintenance, to build awareness of potential local lead service line problems and to protect the children that are most vulnerable to the health impacts of contamination. The datasets that result from voluntary testing are not comprehensive enough to assess the exposure to lead contamination on a statewide scale. It should also be noted that private domestic wells do not fall under the purview of the SDWA and New Mexico drinking water regulations, and therefore minimal to no data would be available to assess risk to private domestic well users.

TECHNICAL ISSUES

SJM15, as introduced, does not specify whether the requested risk assessment is intended to include private domestic wells.

JA/al