



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

December 22, 2025

Honorable Viola Davis
State Representative
404-D Coverdell Legislative Office Bldg.
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill 43 (LC 44 2908)

Dear Representative Davis:

This bill would establish the Disadvantaged Community Drinking Water Program within the Georgia Environmental Protection Division (EPD) to provide financial assistance to qualifying communities that have a decline in the drinking water quantity or quality. Grants could be used for a variety of eligible purposes including point of use treatment and point of entry systems, water source and distribution facilities, and emergency water supplies. A disadvantaged community refers to a census block in which 30% or more of the population have annual household incomes at or below 200 of the federal poverty level. The bill has no effective date.

We are unable to determine the amount needed annually to support the grant awards, but we can provide information from the Environmental Protection Agency's (EPA) 7th Drinking Water Infrastructure Needs Survey and Assessment to illustrate reported water system needs over the next 20 years (see **Table 1**). The data includes costs for pipeline replacement, treatment infrastructure, storage reservoirs, intake infrastructure, and water rights purchases. The numbers in the table are not limited to water systems in disadvantaged communities, as discussed below.

Table 1: Total Project Cost Estimates, Regardless of Community Eligibility

<i>(millions)</i>	Small Systems (Serving 3,300 or fewer)	Medium Systems (Serving 3,301-100,000)	Large Systems (Serving over 100,000)
20-Year Cost Estimate	\$2,678,000,000	\$6,599,000,000	\$10,269,000,000
Annualized	\$133,884,451	\$329,965,736	\$513,445,482

Note: Numbers may not total due to rounding

Source: EPA Drinking Water Infrastructure Needs Survey and Assessment

We were unable to determine the portion of projects in the EPA survey that are in disadvantaged communities; however, it is not unreasonable to assume that many of the water systems could qualify. U.S. Census Bureau data shows that half of the state's population lives in one of the 30 counties in which fewer than 30% of citizens live below 200% of the federal poverty level. However, the bill defines a disadvantaged community at the census block level. It seems possible that medium and large water systems, even if they cover affluent areas, may also serve at least one census block that meets the bill's definition of a disadvantaged community.

Administrative Costs

The administrative costs are speculative, given that the appropriation for water system grants is unknown. However, EPD noted that any grants program would require the hiring of grant specialists at an annual cost of approximately \$77,000 each (salary, benefits, operating, and information technology expenses). EPD noted that it has other grant units that employ four specialist for a program; however, the actual number needed for this program would ultimately depend on the number of grants that are expected to be awarded.

Respectfully,

A handwritten signature in blue ink, appearing to read "Greg S. Griffin".

Greg S. Griffin
State Auditor

A handwritten signature in blue ink, appearing to read "Richard Dunn".

Richard Dunn, Director
Office of Planning and Budget

GSG/RD/dd