

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6600
BILL NUMBER: HB 1124

NOTE PREPARED: Dec 13, 2025
BILL AMENDED:

SUBJECT: Testing Drinking Water for Lead in School Buildings.

FIRST AUTHOR: Rep. Jackson C
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the person or entity having authority over a school building to: (1) test the drinking water in the school building by a specified time frame; and (2) follow certain guidelines in conducting the testing and remediation. It also requires the Indiana Department of Health to impose a civil penalty on the superintendent of a school corporation or the equivalent for a charter school for failing to have the school building's drinking water tested within the specified time frame.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Water Quality Testing:* The bill will increase the workload and expenditures of the Indiana Finance Authority (IFA) to assist schools with adhering to lead testing guidelines.

Explanation of State Revenues: *Superintendent Fines:* This bill allows the Indiana Department of Health to impose civil fees on superintendents who fail to have water tests conducted on a school building. This fine will be equal to 10% of their annual salary.

Explanation of Local Expenditures: *Water Quality Testing:* This bill requires school corporations and charter schools to complete testing for drinking water in school buildings. The bill will increase the workload and expenditures of the Indiana Finance Authority (IFA) and the Indiana Department of Environmental Management (IDEM) to assist schools with conducting lead testing.

If all schools conduct lead testing, it will cost them approximately \$2.95 M in FY 2027, \$3.26 M in FY 2028, and \$2.43 M in FY 2029. This estimate assumes it will cost schools the same amount per sample as it did from the 2017-2018 Lead Sampling Program for Schools. [In FY 2023 and FY 2024 Indiana received \$644,000 and \$635,000 respectively in federal funding from the Voluntary School and Child Care Lead Testing and Reduction Grant Program. This partially funds the IFA's lead sampling program.]

The bill also changes the action level for lead requirements from 15 parts per billion to 10 parts per billion (ppb). With a more stringent lead testing requirement more schools will likely have to undergo remediation plans for water fixtures in the school. This will lead to higher costs and workloads to schools. [The IFA

reported in 2019 that the average cost per fixture was \$550. The majority of schools had 5 or less fixtures that needed to be replaced at an action level of 15 ppb.]

Additional Information: The bill assigned dates depending on the first letter of a school's name. The water testing schedule is as follows:

- Schools starting with letters A-H must have water testing completed not later than June 30, 2027
- Schools starting with letters I-P must have water testing completed not later than June 30, 2028
- Schools starting with letters Q-Z must have water testing completed not later than June 30, 2029

Explanation of Local Revenues:

State Agencies Affected: IFA

Local Agencies Affected: School corporations.

Information Sources: Indiana Finance Authority, 2019 Report on Lead Sampling for Schools, https://www.in.gov/ifa/files/Indiana-School-Lead-Sampling-Program_FinalReport_IFA2019.pdf, Environmental Protection Agency, Voluntary School and Child Care Lead Testing and Reduction Grant, <https://www.epa.gov/dwcapacity/wiin-grant-voluntary-school-and-child-care-lead-testing-and-reduction-grant-program>,

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