



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** [H.B. 417 of the 130th G.A.](#)

**Date:** March 18, 2014

**Status:** As Introduced

**Sponsor:** Rep. Thompson

**Local Impact Statement Procedure Required:** No

**Contents:** Requires governmental agencies to procure certain piping material when contracting for water or wastewater improvement projects

### State and Local Fiscal Highlights

- The bill requires governmental agencies to procure only piping material that meets current American Society for Testing and Materials International (ASTM) and American Water Works Association standards for use in water and wastewater improvement projects. Generally, piping material selected for these projects already meets these standards. As a result, any fiscal effect would be minimal at most.
- Provisions in the bill imply that governmental agencies should use discretion, including the consideration of cost, when choosing piping materials for water and wastewater projects. If governmental agencies retain discretion to choose less expensive piping materials, any increased costs resulting from the use of piping materials that meet the bill's standards could be avoided by choosing less expensive options.

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## Detailed Fiscal Analysis

The bill requires a governmental agency to procure only "acceptable piping material" when contracting for water or wastewater improvement projects. Under the bill, "acceptable piping material" is defined to mean piping material that meets the current recognized standards issued by the American Society for Testing and Materials International (ASTM) and the American Water Works Association. According to the Ohio Section of the American Water Works Association, piping material selected for public water or wastewater improvement projects in general already meets these standards. As a result, the bill's requirement to procure acceptable piping material for water and wastewater projects would not likely result in more than minimal fiscal effects for the units of government affected by the bill.

In addition to the piping standard above, the bill requires government agencies to consider (1) the quality, sustainability, durability, and corrosion resistance of the acceptable piping materials in relation to the project, (2) the up-front costs of installation of the acceptable piping materials, and (3) acceptable piping material to be suitable for the project only if the use of that material is commensurate with sound engineering practices and the project requirements. This suggests that, under the bill, government agencies may choose not to procure acceptable piping material under certain circumstances, including if the cost of acceptable piping material is prohibitive. If so, governmental agencies could avoid any increased costs acceptable piping material may present by choosing less expensive options.