COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 3630-01 <u>Bill No.</u>: HB 1058

Subject: Housing; Landlords and Tenants; Utilities

Type: Original

Date: February 9, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2005	FY 2006	FY 2007	
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2005	FY 2006	FY 2007	
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2005	FY 2006	FY 2007	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2005	FY 2006	FY 2007	
Local Government	\$0	\$0	\$0	

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** assume this proposal would not fiscally impact their agency.

Officials from the **City of Kansas City** assume \$15,000,000 each fiscal year in water and sewer revenues are at risk based on estimates of tenant occupied residencies served by the Kansas City Water Services Department.

Oversight sent a request for fiscal note to cities in Missouri. Only the City of Kansas City responded.

Officials from the Little Blue Sewer District and the St. Louis Metropolitan Sewer District did not respond.

Oversight assumes this proposal would have a minimal impact on water and sewer districts.

FISCAL IMPACT - State Government FY 2005 FY 2006 FY 2007 (10 Mo.)

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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Under current law, water and sewerage services are deemed to be provided to both the occupant and the owner of the premises receiving the services. The entity providing the services may sue either the occupant, the owner, or both; and the owner of the premises receives notice of termination of water and sewerage services only upon written request for notice. This proposal makes it solely the occupant's responsibility to pay for water and sewerage services, allows the providing entity to sue only the occupant for nonpayment, and requires that notice be sent to both

the occupant and the owner of the premises receiving the services.

The proposal also provides that in rent and possession actions pursuant to Chapter 535, RSMo, the strict notice requirements for termination of month-to-month tenancies in Section 441.060 are

not applicable; and cases will be heard by a court without a jury.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Office of State Courts Administrator City of Kansas City

NOT RESPONDING: Little Blue Sewer District, St. Louis Metropolitan Sewer District, and various Missouri cities

Mickey Wilson, CPA

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Director

February 9, 2004