

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3981-01
Bill No.: HB 1206
Subject: Easements and Conveyances
Type: Original
Date: March 1, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue Fund	(Unknown)	(Unknown)	(Unknown)

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

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

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 the Governor, Office of Administration – Division of Design and Construction, Department of Transportation** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Corrections (DOC)** assume the proposal repeals part of an authorization for a conveyance of state property in Pacific that was passed in the 2003 session.

Currently DOC owns approximately 3 miles of sewer line running between MO Eastern Correctional Center (MECC) and the sewer treatment plant in Pacific, MO. Legislation passed last year (2003 session) allows DOC to transfer this line (and the attendant maintenance, repair and improvement) to Pacific. Currently DOC allows the private industry Red Cedar Inn and the public Eureka Fire Protection District to process their sewage through DOC's line. Other adjacent property owners have sought use of DOC's line but have been denied.

If this bill were not to pass, DOC will transfer ownership of the line to Pacific and will get out of the "sewer business" and MECC will be annexed by Pacific.

ASSUMPTION (continued)

If this bill passes (since it repeals the previously passed bill allowing conveyance) the DOC (and thus the State) will continue in the “sewer business” and will retain responsibility (thus incurring cost) to maintain, repair and improve the sewer line. Ongoing expenditures are of an unknown amount.

Officials from the **City of Pacific** assume they would incur losses in the form of monies they have invested in engineering and other costs based on the commitment that this would be served and annexed to the City of Pacific. This proposal risks sewer service to two St. Louis County businesses in the City of Pacific, the service to Eureka Fire District, and service to the state prison.

Oversight assumes the losses incurred by the City of Pacific would be monies already spent. Therefore, Oversight assumes no local fiscal impact.

Officials from the **Office of the Attorney General** and the **Department of Natural Resources** did not respond to Oversight’s request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
GENERAL REVENUE FUND			
<u>Costs</u> – Department of Corrections			
Maintenance and repair costs	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposed legislation could fiscally impact small businesses located adjacent to the sewer line.

DESCRIPTION

The proposed legislation would repeal the authorization passed in 2003 to convey property owned by the state at the Missouri Eastern Correctional Facility in St. Louis County to the City of Pacific.

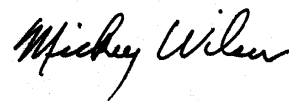
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Governor
Office of Administration
 – Division of Design and construction
Department of Transportation
Department of Corrections
City of Pacific

NOT RESPONDING

Office of the Attorney General
Department of Natural Resources



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