This bill changes the laws regarding public water supply districts and the powers of the Board of Fund Commissioners. In its main provisions, the bill:

- (1) Adds a requirement that a petition to form a public water supply district be served by certified mail to any municipality within one mile of the boundaries of the proposed public water supply district. Those municipalities are allowed to file an exception to the formation of the district;
- (2) Clarifies that certain powers granted to public water supply district board of directors to sell district property are in addition to other board powers granted by law and are not subject to the terms and conditions of the other sections of law; and
- (3) Requires a city owning a waterworks that receives an inquiry from a developer regarding water supply to a construction project located within the city and within a water supply district to notify the water supply district of the inquiry and the project location by certified mail within 10 days.

In addition to the amounts authorized prior to August 28, 2004, the bill authorizes the Board of Fund Commissioners to issue bonds for grants and loans pursuant to several sections of Article III of the Missouri Constitution. The authorizations are for:

- (1) \$10 million of bonds for water pollution control, drinking water system improvements, and storm water control pursuant to Section 37(e);
- (2) \$10 million of bonds for rural water and sewer projects pursuant to Section 37(q); and
- (3) \$20 million of bonds for storm water control plans, studies, and projects in first classification counties and the City of St. Louis pursuant to Section 37(h).