

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1466-01
Bill No.: HB 559
Subject: Sewers and Sewer Districts; Water Resources and Water Districts; Political Subdivisions
Type: Original
Date: March 9, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources (DNR)** assume this proposal would allow the creation of a wholesale water and sewer authority to become a political sub-division of the state with authority to own and operate wastewater treatment systems including water supply systems and provide assistance to other such providers. In order for a wholesale water and sewer authority to be created at least two or more providers recognized as political subdivisions of the state must petition for the formation of an authority.

The DNR would not anticipate any fiscal impact from this proposal.

Officials from the **Department of Health and Senior Services (DHSS)** assume this proposal would not be expected to fiscally impact the operations of DHSS. If an impact were to result, funds to support the program would be sought through the appropriations process.

Officials from the **Secretary of State's Office** assume this proposal sets up regulations for local sewer and water authorities. There is no state rulemaking called for in the proposal, so there will be no cost to the administrative rules division.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill allows the creation of a wholesale water and sewer authority by filing a petition in the circuit court of a county within the area of the proposed authority. The information that must be included in the petition is specified. The circuit court clerk is required to publish notice of the proposed creation of the authority and may order a public hearing if it provides the proper notice. Any resident of the proposed area may seek a declaratory judgment to prevent the creation of the authority. If the court decides the formation is proper, the authority will be a political subdivision of the state. Any party may appeal the court's order or declaratory judgment. Following formation, members can be added to the authority after public notice, a public hearing, and a favorable vote of the board of directors.

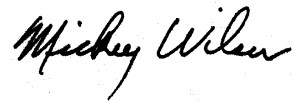
The powers, duties, and procedures of the authority and its board of directors are specified.

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

Department of Natural Resources
Department of Health
Secretary of State's Office

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 9, 2005