

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 4052-01
Bill No.: HB 1426
Subject: Political Subdivisions: Water and Sewer Authority
Type: Original
Date: March 3, 2006

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

Department of Natural Resources officials assume no fiscal impact to the department.

Office of State Courts Administrator officials assume no fiscal impact to the Courts.

Officials of the **Callaway Water District No.1** assume no fiscal impact.

In response to fiscal note 1694-01 SB 400 of the 2005 legislative session, the following fiscal impact statements were issued:

Department of Revenue - Division of Taxation officials assume no fiscal impact to the department.

Secretary of State - Administrative Rules officials assume no fiscal impact to the division

Officials of the **Cass County Commission** assume no fiscal impact.

City Administrators of the cities of **Springfield** and **Jefferson City** assume no fiscal impact.

ASSUMPTION (continued)

Oversight assumes this proposal is enabling legislation and does not mandate the creation of a wholesale water or sewer authority. Oversight assumes this proposal would only have fiscal impact if two or more providers, at their own discretion, would petition the court to create a wholesale water or sewer authority.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<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

This bill establishes the Wholesale Water and Sewer Authority Act which allows for 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. The Circuit Court may order a public hearing, but must provide 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.

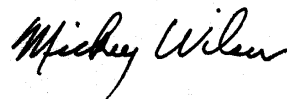
SOURCES OF INFORMATION

Office of Secretary of State - Administrative Rules Division
Department of Natural Resources
Department of Revenue- Division of Taxation
Office of State Courts Administrator
City of Springfield
Jefferson City Administrator
Cass County Commission
Callaway County Water District No. 1

NOT RESPONDING

Numerous Cities and Counties on Oversight's Response List.

Little Blue Valley Sewer District
St. Louis Metropolitan Sewer District



Mickey Wilson, CPA
Director
March 3, 2005