

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4991-04
Bill No.: Perfected HCS for HB 1947
Subject: Cities, Towns and Villages; Water Resources and Water Districts; Utilities
Type: Original
Date: February 28, 2018

Bill Summary: This proposal changes the law regarding sale of water or wastewater systems in fourth class cities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Economic Development**, the **Office of the Secretary of State** and the **Department of Natural Resources** each assume no fiscal impact to their respective agencies from this proposal.

In response to similar legislation from this year, SB 658, officials at **Boone County** and **St. Louis County** each assumed no fiscal impact to their respective entities from this proposal.

In response to similar legislation from 2017, SCS for HCS for HB 247, officials at the **Callaway County Commission** assumed no fiscal impact from this proposal.

Oversight assumes the proposed legislation establishes procedures relating to municipally owned utilities. The proposal states “...except for the sale of a water or wastewater system, or the sale of a gas plant, which shall be authorized by a simple majority vote of the voters voting on the question.” Oversight assumes, under current statute, election costs are already accounted for within \$88,770 of the proposal. Oversight assumes the proposal is making changes from a 2/3rds majority vote to a simple majority vote. Therefore, Oversight will reflect a \$0 fiscal impact from this proposal.

House Amendment #1

Oversight assumes this amendment establishes procedures by the board of alderman for cities should the proposed sales of a water or wastewater system be placed before the voters. Oversight will reflect a \$0 fiscal impact for this amendment.

Officials from the following **4th class cities**: Ashland, Bernie, California, Dardenne Prairie, Frontenac, Grandview, Harrisonville, Kearney, Knob Noster, Ladue, Lake Ozark City, Peculiar, Pineville, Raytown, St. Robert, Sugar Creek, Sullivan, Warrenton, and Weldon Spring did not respond to **Oversight’s** request for fiscal impact.

Officials at the following **water and wastewater districts**: Cole County Public Water District 3, Cole County Public Water District #4, Franklin County Water District, Lake of the Ozark Solid Waste Management District, NW Mo Regional Solid Waste Management District, Ozark Rivers Solid Waste Management District, Quad Lakes Solid Waste Management District, Region D Recycling & Waste Management District, the St. Charles County Public Water Supply District #2, the St. Louis - Jefferson Solid Waste Management and the SW Mo Solid Waste Management District did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<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.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Secretary of State
Department of Economic Development
Department of Natural Resources
Boone County
St. Louis County
Callaway County Commission

Ross Strope



Acting Director

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