

HCS HB 1947 -- SALES OF MUNICIPAL UTILITIES

SPONSOR: Alferman

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Local Government by a vote of 11 to 0. Voted "Do Pass" by the Rules- Administrative Oversight Committee by a vote of 13 to 0.

Currently, fourth class cities may only sell their interest in a municipally-owned utility when ratified by a two-thirds vote. This bill lowers the voter-approval threshold for the sale of a water or wastewater system, or a gas plant, to a majority of the city's population.

PROPONENTS: Supporters say that they would be interested in purchasing some municipal utilities so the lower voter-approval threshold would be beneficial, especially given that very few, if any, other governmental votes require this high of a majority. The vote to change a city's classification only requires a simple majority.

Testifying for the bill were Representative Alferman; Missouri American Water; and Missouri Chamber of Commerce and Industry.

OPPONENTS: Those who oppose the bill say that this is an important decision for municipalities and that the higher voter-approval threshold better represents the will of the residents of the municipality.

Testifying against the bill were Missouri Association of Municipal Utilities; Missouri Municipal League; and Missouri Rural Water Association.