

HCS HB 1602 -- RESIDENCY REQUIREMENTS FOR MUNICIPAL BOARDS

SPONSOR: Mayhew

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Local Government by a vote of 13 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 10 to 0.

The following is a summary of the House Committee Substitute for HB 1602.

This bill provides that, for a city of the fourth classification with no more than 2,000 inhabitants, if a statute or ordinance authorizes the mayor to appoint a member of a local board or commission, any requirement that the appointed person be a resident of the city will be deemed satisfied if the person owns real property or a business in the city, regardless of whether the position to which the appointment is made is considered an officer of the city.

The bill also provides that, for a city of the fourth classification with no more than 2,000 inhabitants, if a statute or ordinance authorizes the mayor to appoint a member of a board that manages a municipal utility, any requirement that the appointed person be a resident of the city will be deemed satisfied only if the following conditions are met:

- (1) The board has no authority to set utility rates or to issue bonds;
- (2) The person resides within five miles of the city limits;
- (3) The person owns real property or a business in the city;
- (4) The person or the person's business is a customer of a public utility, as described under section 91.450, managed by the board; and
- (5) The person has no pecuniary interest in, and is not a board member of, any utility company that offers the same type of service as a utility managed by the board.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that often it is hard to get city residents to serve on these boards and with vacancies it is hard to

get a quorum to conduct business.

Testifying for the bill was Representative Mayhew.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that current utility boards have rate-making authority and it is concerning to have non-residents making decisions affecting residents. About one-third of the 80 or so 4th class cities with electric utilities have a population of 2000 inhabitants or less.

Testifying on the bill was Missouri Association of Municipal Utilities.