

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 3185-01
Bill No.: SB 885
Subject: Political Subdivisions: Utilities, Bonds
Type: Original
Date: February 6, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
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 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Natural Resources** assume no fiscal impact.

Officials of the **Department of Economic Development- Public Service Commission** and **Office of Public Counsel** assume no fiscal impact.

Officials of the **City of Florissant** assume no fiscal impact.

Officials of the **Little Blue Valley Sewer District** assume no fiscal impact to the District.

Officials of the **Platte County - Planning and Zoning Commission** assume no fiscal impact.

Officials of the **Office of Kansas City Manager** stated that for cities that are members of a Joint Municipal Utility Commission who desired to issue a bond would realize some savings from election costs. Officials stated they would realize some cost of publishing a notice of a hearing. Costs for publishing notice of a hearing would be minimal. Savings that could be realized from not holding an election in Kansas City could be as much as \$300,000. Cost would depend on when the election is held.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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CERTAIN POLITICAL SUBDIVISIONS

Savings to Certain Political Subdivisions
 election costs

Unknown Unknown Unknown

ESTIMATED NET EFFECT TO LOCAL GOVERNMENT*

Unknown Unknown Unknown

*** Oversight assumes savings could be significant, depending upon the size of the municipalities. Locals would have insignificant cost from publishing a notice of a hearing.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This act provides an alternative method for issuing certain utilities revenue bonds. Current law requires that the issuance be put to a vote of the people. With this act, for the purposes of purchasing or leasing, constructing, installing, and operating reservoirs, pipelines, wells, check dams, pumping stations, water purification plants, and other facilities for the production, wholesale distribution, and utilization of water, the municipal water commission may provide for a vote by the governing body of each contracting municipality. Such vote shall require the approval of three-quarters of all governing bodies of the contracting municipalities. The commission must receive an engineers report, and provide a public hearing prior to the issuance.

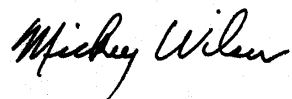
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development- Public Service Commission
Department of Economic Development- Office of Public Counsel
Department of Natural Resources
Office of Kansas City Manager
Little Blue Valley Sewer District
Platte County Planning and Zoning
City of Florissant

NOT RESPONDING

Jackson County Executive
City of Independence
City of Blue Springs
City of Liberty
City of Lees Summit
Cass County Commission
Clay County Commission
St. Louis County Executive
City of St. Louis
St. Louis Metropolitan Sewer District
City of Hazelwood
City of University City
City of Brentwood
City of Kirkwood



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Director
February 6, 2004