

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3760-02  
BILL NO.: HB-1930  
SUBJECT: Water Districts: City Annexations  
TYPE: Original  
DATE: February 28, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

**Department of Natural Resources** officials stated that this proposal does not change the department's authority, therefore, officials would expect no fiscal impact.

**City of St. Joseph** officials assume no fiscal impact.

**City of West Plains** stated this proposal could impact municipalities. Officials assume there would be unknown costs associated with negotiation with Water Districts and loss of revenue.

**Oversight** assumes to require municipalities to reach water service agreements within newly annexed areas with Water Districts that are currently providing water service would be another step for municipalities to consider before annexing, however, this proposal does not require municipalities to annex areas where Water Districts exist. Oversight assumes this proposal is permissive and would have no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

**FISCAL IMPACT - Small Business**

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

**DESCRIPTION**

This bill requires municipalities that provide municipal water to newly annexed areas to reach a service agreement with the water district that had provided service before any new development takes place within the annexed area.

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**

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Department of Natural Resources  
City of St. Joseph  
City of West Plains

**NOT RESPONDING:**

Cities of Hannibal, Columbia, St. Charles, Springfield, Poplar Bluff, Joplin, Cape Girardeau, Fulton, Mexico, Raytown, Fenton, Chesterfield, Liberty, and Callaway County Water District #1, Cole County Water Districts 1, 2, 3, and 4.



Jeanne Jarrett, CPA  
Director  
February 28, 2000