

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5243-04  
Bill No.: SCS for HCS for HB 1713  
Subject: Environmental Protection; Natural Resources, Department of, Sewers and Sewer Districts; Utilities: Water Resources and Water Districts  
Type: Original  
Date: April 27, 2016

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Bill Summary: This proposal modifies provisions relating to water systems.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$221,060)	\$0 or Up to (\$220,270)	\$0 or Up to (\$222,249)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$221,060)</b>	<b>\$0 or Up to (\$220,270)</b>	<b>\$0 or Up to (\$222,249)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Multipurpose Water Resource Program Fund*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Transfers In from General Revenue in addition to Contribution Fees Generated and Costs Net to Zero

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Multipurpose Water Resource Program Fund	3 FTE	3 FTE	3 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>3 FTE</b>	<b>3 FTE</b>	<b>3 FTE</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Natural Resources** assume this proposal will have a negative fiscal impact to their organization as follows:

#### **Sections 256.437, 256.438, 256.440, and 256.443**

The department would request one (1) Engineer III, one (1) Planner II, and one (1) Accounting Specialist III to support project review, planning, administration and oversight of the Multipurpose Water Resource Program Fund. This is based on department knowledge of financial assistance administration and operation of grant programs for planning and infrastructure development. At a minimum, this program requires engineering review, accounting oversight, and planning expertise.

For purposes of this fiscal note, the department has assumed the funding source of this proposal would be General Revenue to the Multipurpose Water Resource Program Fund created by this proposal. The existing Multipurpose Water Resource Program Renewable Water Program Fund has never had money appropriated to it and has a balance of \$0. Once the program is up and running, it would most likely take a number of years before any revenues would cover the costs of activities to implement this proposal.

**Oversight** will show a fiscal impact for the new positions with costs related to equipment and expenses for these positions beginning with FY17 because the proposal contains an emergency clause. And Oversight will assume there will not be any contribution fees generated in FY17.

**Oversight** will show a \$0 or costs Up to \$220,270 for FY18 and a \$0 or costs Up to \$222,249 for FY19 to General Revenue. This reflects the impact of contribution fees generated for participation in the program which would reduce the amount needed to be transferred from General Revenue to the Multipurpose Water Resource Program Fund for personnel costs.

**Oversight** will show a positive \$0 or Up to \$220,270 for FY18 and a positive \$0 or Up to \$222,249 for FY19 to the Multipurpose Water Resource Program Fund as a transfer from General Revenue. Also, Oversight will show a positive \$0 or Up to \$220,270 for FY18 and a positive \$0 or Up to \$222,249 for FY19 to the Multipurpose Water Resource Program Fund as revenue generated from contribution fees for participation in the program.

**Oversight** will show a \$0 impact to the Multipurpose Water Resource Program Fund because it is assumed that the revenue received from General Revenue and contribution fees deposited directly to the Multipurpose Water Resource Program Fund combined will equal the costs of the program.

ASSUMPTION (continued)

**Sections 644.180 and 644.200**

The department would not anticipate a direct fiscal impact from these provisions of the proposal.

Officials at the **Department of Agriculture** assume this proposal will not have a fiscal impact on their organization.

Officials at the **Metropolitan St. Louis Sewer District** assume this proposal will not have a fiscal impact on their organization.

Officials at **Kansas City** assume this proposal will not have a fiscal impact on their organization.

Officials at the **St. Louis County** assume this proposal will not have a fiscal impact on their organization.

In response to a previous version, officials at **Department of Health and Senior Services** and **Department of Conservation** each assumed the proposal would not have a fiscal impact on their respective organizations.

In response to a previous version, officials at the city of **Fulton** assumed the proposal would not have a fiscal impact on their organization.

In response to a previous version, officials at the counties of **Mississippi** and **Callaway County** each assumed the proposal would not have a fiscal impact on their respective organizations.

In response to a previous version, officials at the assumed the proposal would not have a fiscal impact to their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2017	FY 2018	FY 2019
<b>GENERAL REVENUE</b>			
<u>Transfer Out - to Multipurpose Water Resource Program Fund - DNR - §256.437, §256.438, §256.440, and §256.443</u>	<u>(\$221,060)</u>	<u>\$0 or Up to (\$220,270)</u>	<u>\$0 or Up to (\$222,249)</u>
<b>NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$221,060)</u></b>	<b><u>\$0 or Up to (\$220,270)</u></b>	<b><u>\$0 or Up to (\$222,249)</u></b>



### FISCAL DESCRIPTION

This bill specifies that if an applicant for a construction or operating permit under the Missouri Clean Water Law is registered and in good standing as a corporation, partnership, limited liability company, or other business organization in this state, the continuing authority requirements are deemed satisfied.

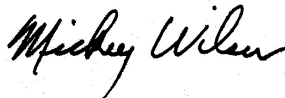
The Department of Natural Resources must provide any municipality or community currently served by a wastewater treatment system with information regarding options to upgrade the existing lagoon system to meet discharge requirements. The information must include available advanced technologies including biological treatment options. The municipality or community, or a third party it hires, may conduct an analysis, including feasibility and cost, of available options to meet the discharge requirements. If upgrading or expanding the existing system is feasible, cost effective and will meet the discharge requirements, the department must allow the entity to implement the option.

This bill contains an emergency clause.

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 Natural Resources  
Department of Agriculture  
Department of Health and Senior Services  
Department of Conservation  
City of Fulton  
City of Kansas City  
Callaway County  
Mississippi County  
Platte County  
St. Louis County  
Metropolitan St. Louis Sewer District



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L.R. No. 5243-04  
Bill No. SCS for HCS for HB 1713  
Page 7 of 7  
April 27, 2016

Director  
April 27, 2016

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April 27, 2016