

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4565S.02I
 Bill No.: SB 1060
 Subject: Boards, Commissions, Committees, and Councils; Utilities; Water Resources and Water Districts
 Type: Original
 Date: February 9, 2026

Bill Summary: This proposal creates provisions relating to public water supply districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Potential increase in OSCA costs assumed to be less than \$250,000 annually.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§247.181 and 247.229 – Public Water Supply Districts

Officials from the **Office of the State Courts Administrator (OSCA)** states that Senate Bill 1060 may have some impact but there is no way to quantify that amount currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 or (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Officials from the **Department of Commerce and Insurance, Department of Natural Resources, Office of the Secretary of State, City of Kansas City, Platte County Board of Elections, St. Louis City Board of Elections, St. Louis County Board of Elections, Metropolitan St. Louis Sewer District - 7B Sewer, South River Drainage District - 7D Levee, and Wayne County PWS #2** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

In response to similar legislation, HB 1917 (2026), officials from the **City of O'Fallon and Little Blue Valley Sewer District - 7B Sewer** each assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local agencies were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – OSCA (§§247.181 & 247.229)</u> Potential increase in court costs p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

The act creates provisions relating to public water supply districts.

DETACHMENT FROM A PUBLIC WATER SUPPLY DISTRICT (Section 247.181)

Under the act, as an alternative to detachment from a public water supply district located in certain counties, the owners of 50% or more of the area located within the district that does not receive water service from the district may petition the circuit court to be detached from the district by filing a petition. Conditions for the detachment are described in the act. Specifics of the petition are described in the act.

After receiving the petition, the election authority shall issue a certificate stating whether the records of the authority show any voters residing within the area proposed to be detached. The authority shall file the certificate with the circuit court and shall serve a copy of the certificate upon the petitioners, as described in the act.

Following the receipt of the petition, the board of directors of the district shall file with the circuit court a verification stating whether any water lines or other facilities owned or operated by the district are located within the area proposed to be detached or whether the district has any outstanding obligation bonds at the time the petition is filed. The verification shall be filed with the court and served upon the petitioners, as described in the act. The petitioner shall be responsible for payment of the reasonable costs of the district for providing the verification.

Pursuant to the timelines described in the act, the court shall set a public hearing date on the proposed detachment. Notice of the filing of the petition shall be posted in a newspaper of general circulation in the county where the proceedings are pending. Specifics of the notice are described in the act.

At the public hearing, an interested person may file written objections or comments and may be heard with respect to any issues set forth in the notice. The court may hear all protests, objections, comments, and other evidence presented at the hearing. The court shall thereafter determine if the petition satisfied the conditions under the act and whether the petitioners are entitled to detachment, as described in the act. If the court determines that the petition is defective, the court shall dismiss the petition without prejudice. The petition shall not be considered defective based on the fact that the district is a borrower under a federal loan program. The petitioner shall bear all costs of the proceedings under the act.

A certified copy of the court's order shall be filed as described in the act.

ACCEPTANCE OF MONETARY CONTRIBUTIONS (Section 247.229)

If a public water supply district that is located in certain counties, and pursuant to the provisions of the act, has an outstanding debt owed to or guaranteed by the United States government, the board of directors of the district shall accept any monetary gift, donation, or bequest made to the district for its use, unless such acceptance would be in violation of current law. Such donations shall be applied first to the payment of any outstanding debt of the district that is owed to or guaranteed by the United States government, until such debt is satisfied in full. Excess funds may be applied as authorized by current law. If no such debt exists, the board of directors may apply the funds as authorized by current law.

The board shall maintain records of all monetary gifts, donations, or bequests received and make such records available for public inspection.

Any person or entity may make full payment for any debt of the district that is owed to or guaranteed by the U.S. government or its agency. The board of directors shall take all necessary actions to facilitate such payments, as described in the act.

These provisions shall only apply to specific public water supply districts, as described in the act.

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

Office of the State Courts Administrator
Department of Commerce and Insurance
Department of Natural Resources
Office of the Secretary of State
City of Kansas City
City of O'Fallon
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Elections
Little Blue Valley Sewer District - 7B Sewer
Metropolitan St. Louis Sewer District - 7B Sewer
South River Drainage District - 7D Levee
Wayne County PWSD #2

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