

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4341-01
Bill No.: SJR 34
Subject: Constitutional Amendments: Political Subdivisions
Type: Original
Date: March 4, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$34,710)	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$34,710)	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

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

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development's Public Service Commission** and **Office of the Public Counsel** and of the **Department of Natural Resources** stated that the proposal would not significantly affect their agencies.

Advertisement costs for the proposal would be \$3,471 per newspaper column inch for three printings of the text of the proposal, the introduction, title, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2002 general election.

<u>FISCAL IMPACT - State Government</u>	FY 2003	FY 2004	FY 2005
<u>Cost to General Revenue Fund</u>			
<u>Secretary of State</u>			
Newspaper Advertisements	<u>(\$34,710)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003	FY 2004	FY 2005
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

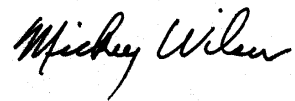
This proposal would allow joint boards or commissions formed by contracts between municipalities or political subdivisions to issue and sell interest bearing revenue bonds to pay for buying, building, extending or improving revenue producing water, sewer, gas, electric, heating, or power plants and airports.

The proposal would remove existing constitutional provisions which require that the voters of the political subdivisions participating in the projects vote to approve bond issues and which provide that joint boards and commissions may not issue bonds unless they "are fully regulated in all respects as a public utility."

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

SOURCES OF INFORMATION

Department of Economic Development
Public Service Commission
Office of the Public Counsel
Department of Natural Resources
Secretary of State



Mickey Wilson, CPA
Acting Director
March 4, 2002