



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 104

PRINTERS NO. 1047

PRIME SPONSOR: Godshall

COST / (SAVINGS)

| FUND | FY 2016/17 | FY 2017/18 |
|---------------------------|------------|------------|
| Municipal Authority Funds | \$0 | \$0 |
| Municipal Funds | \$0 | \$0 |

SUMMARY: Requires a municipal authority to publicly discuss all acquisitions and the sale or transfer of authority-owned water and sewer infrastructure and how the acquisition or sale will benefit the authority's existing ratepayers. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the Municipal Authorities Act (Chapter 56 of Title 53) to prohibit an authority from making an acquisition until it discusses the acquisition at a public meeting. The legislation creates a new section to prohibit an authority from selling or transferring any authority-owned water or sewer infrastructure until the sale is discussed at a public meeting. In both cases, the minutes of the meeting must include detailed information relating to the projected public benefit that will be realized as a result of the acquisition or sale. The legislation also defines a "public benefit".

The legislation changes the reporting requirement for municipal authorities who file annual reports with DCED and the municipality or municipalities. A report shall be filed within 180 days of the end of the authority's fiscal year and shall be posted on the authority's publicly accessible Internet website. If the authority does not maintain a publicly accessible Internet website, the report shall be provided by electronic or other means to any other municipality that has customers served by the authority.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth, municipal or municipal authority funds. It is presumed that any discussion of a municipal authority acquisition, sale or transfer would typically occur at a regularly scheduled meeting and would not require the sunshining of an additional public meeting.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: March 21, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.