

HCS HB 2179 -- AUDITS OF PUBLIC WATER SUPPLY DISTRICTS

SPONSOR: Gatschenberger

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Local Government by a vote of 11 to 4.

This bill authorizes the State Auditor to audit specified public water supply districts. The audit must be conducted as specified in the petition request procedures, paid for by the water supply district with funds deposited in the Petition Audit Revolving Trust Fund, and completed by December 31, 2015. These provisions will currently only apply to Public Water Supply District #2 of St. Charles County.

PROPONENTS: Supporters say that the audit is necessary because the district refuses to answer specific questions about its rates and how they are determined, as well as purchasing decisions of the district.

Testifying for the bill was Representative Gatschenberger.

OPPONENTS: Those who oppose the bill say that the Public Water Supply District #2 of St. Charles County should not be singled out. The petition process for requesting an audit should be utilized to confirm that the voters of the district really are concerned about the district's practices. The district did a rate study, and the conclusion was that the district needed to raise its rates.

Testifying against the bill were Public Water Supply District #2 of St. Charles County, Missouri and Missouri Rural Water Association;

OTHERS: Others testifying on the bill say they suggested some changes to the bill to the sponsor and those changes are included in the house committee substitute. An audit by the State Auditor's office would look to the "best practices" of other water or sewer districts in the state.

Testifying on the bill was Office of the State Auditor.