



Bill Text: MS HB698 | 2023 | Regular Session | Enrolled Mississippi House Bill 698

Bill Title: Municipal water, wastewater and sewer services; require equity based billing based on use of.

Spectrum: Partisan Bill (Democrat 1-0)

Status: (*Passed*) 2023-04-14 - Approved by Governor [[HB698 Detail](#)]

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MISSISSIPPI LEGISLATURE
2023 Regular Session
To: Public Utilities
By: Representative Yates

House Bill 698

(As Sent to Governor)

AN ACT TO AMEND SECTIONS 21-27-7 AND 21-27-189, MISSISSIPPI CODE OF 1972, TO ENSURE JU
REASONABLE AND TRANSPARENT BILLING FOR MUNICIPAL WATER, WASTEWATER, AND SEWER SERVICES
RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 21-27-7, Mississippi Code of 1972, is amended as follows:

21-27-7. (1)(a) The governing authorities of municipalities shall have the po
purchase, maintain and operate waterworks, and to regulate the same, and to prescribe
which water shall be supplied to the * * * users. The rates at which water, wastewater
services shall be supplied shall be just and reasonable based on the actual cost to op
maintain the systems, and rates may not be unreasonably preferential, prejudicial or d
but shall be sufficient, equitable and consistent in application to each class of user
municipality may set different rates for different classifications of users, a municip
not discriminate in setting rates among members of the same classification. The munic
governing authorities shall make a finding on the minutes of the governing body establ
rate based on the actual cost to operate and maintain the system. A municipality shal
a user a fee for services received which is less than the cost incurred by the municip
provide such services.

(b) The governing authorities of a municipality shall establish and maintai
charges in equitable proportion to the use of the services and benefits rendered by th
systems and water treatment facilities serving the municipal area. From time to time
authorities shall adjust such rates, to the end that the revenues therefrom will be su
all times to pay the expenses of operating and maintaining such works, facilities and
all of the municipality's obligations under any contract or bond resolution with respe
The calculation of a user's bill shall be limited to the actual amount of volumetric
those fees reasonable and necessary for the cost of capital expenses, system operation
maintenance, and debt service.

(c) If a user's meter is tampered with, unreadable, or otherwise out-of-ord
municipality may render an estimated bill to that user for a period not to exceed six
In such circumstance, an estimated bill shall be based upon the prior average measure
the user or a similar user of the same classification.

(i) Only in the event a municipality is unable to meet the requirement
based solely on volumetric usage, such municipality may bill based on a flat fee rate
municipalitiv has established flat fee billing as its usual and customary billing pract

volumetric billing. In such circumstance, the municipality may set different flat fee different classifications of users, but the municipality shall not discriminate in set rates among members of the same classification, and the municipality shall not charge for services received that is less than the cost incurred by the municipality to provide services.

(ii) The governing authorities of the municipality shall make a finding the minutes of the governing body establishing the rate based upon the actual cost to maintain the system as determined under Generally Accepted Accounting Principles, and municipality shall not charge a user a fee for services received that is less than the incurred by the municipality, or based on the assessed value of the property, to provide services.

(d) Notice of any change in the rate or rate structure at which services are shall be posted on all bills sent to users at least one (1) month prior to the effective date of the rate change. Notice shall also be posted to the municipality's online web page or platform, if the municipality has an online web page or bill payment platform.

(e) Nothing in this statute shall be construed as prohibiting a user or government authority of any municipality from applying for and receiving any federally or private payment assistance, grant or other funds.

(f) The governing authority of a municipality may provide for the calculation of a user's bill by a method other than volumetric usage only in exchange for consideration or in connection with, an incentive contract or other form of benefit or assistance related to a user's location, expansion, or maintenance of its commercial or industrial operation within the municipality, so long as such rate is equitable, fair, and nondiscriminatory, and the municipality shall not charge such user a fee for services received that is less than the cost incurred by the municipality to provide such services.

(2) The governing authorities of municipalities shall have the power to acquire by donation or condemnation, in the name of the municipality, suitable grounds, within or outside the corporate limits, upon which to erect waterworks, and also the right-of-way to and from the right-of-way for laying water pipes within the corporate limits, and from such right-of-way to the municipality, and to extend such right-of-way from time to time. The governing authorities shall have the power to contract with any person for the maintenance and operation of waterworks. * * * The authorities shall have the power to contract with any person for the erection and maintenance of waterworks for a term not exceeding twenty-five (25) years at rates of water rates in the contract subject to municipal regulations. A contract for the erection or purchase of waterworks shall not, however, be entered into until submitted to a vote of the qualified electors and approved by a majority of those voting. A contract for maintenance

to supply water free of charge, or in any amount less than the fixed charges, to any person or corporation, except as is expressly authorized by law.

SECTION 2. Section 21-27-189, Mississippi Code of 1972, is amended as follows:

21-27-189. A municipality, as defined in Section 21-27-163, is authorized and empowered, in the discretion of its governmental authorities, to exercise the following powers and duties within the area and territories comprising the metropolitan area of which it is a part:

(a) To operate and manage sewerage systems, sewage treatment facilities and disposal systems and related facilities serving the metropolitan area in conformance with the metropolitan area plan.

(b) To construct, operate and maintain sewerage systems, sewage treatment facilities and sewage disposal systems in the manner and to the extent required by the metropolitan area plan.

(c) To accept and utilize grants and other funds from any source for waste management purposes.

(d) To establish and maintain rates and charges in equitable proportion for the services and benefits rendered of such sewerage systems, sewage treatment facilities and disposal systems within the metropolitan area, and from time to time to adjust such rates and charges so that the revenues therefrom will be sufficient at all times to pay the expenses of operating and maintaining such works, facilities and systems and all of the municipality's obligations under any contract or bond resolution with respect thereto. The rates shall be just and reasonable, and shall not be unreasonably preferential, prejudicial or discriminatory but shall be equitable and consistent in application to each class of users. While the municipality may establish different rates for different classifications of users, a municipality shall not discriminate in setting rates among members of the same classification. The governing authorities of the municipality shall make a finding on the minutes of the governing body establishing the rates upon the actual cost to operate and maintain the system, and a municipality shall not charge a fee for services received which is less than the cost incurred by the municipality for such services.

(e) To incur short and long-term indebtedness under the provisions of Sections 21-27-189 through 21-27-191 or other applicable statutes.

(f) To adopt rules and regulations necessary to carry out the implementation of the metropolitan area plan and to assure the payment of each participating person or public utility its proportionate share of treatment costs.

(g) To refuse to receive any waste from any public agency or subdivision or other person which does not comply with the provisions of the metropolitan area plan for the particular area within which such public agency or subdivision thereof or any other person is located.

(i) To adopt all necessary and reasonable rules and regulations to carry out and effectuate any waste treatment plan adopted for the metropolitan area.

(j) To require by ordinance or by contract with a public agency or other person that waste within the metropolitan area be disposed of through sewerage systems, treatment and sewage disposal systems which comprise a part of the metropolitan area plan, to the extent the same may be available, but no public agency shall be precluded from constructing, maintaining its own sewerage system if the same be a part of the metropolitan area plan.

SECTION 3. This act shall take effect and be in force from and after July 1, 202
