

By: Representative Holland

To: Public Health and Human Services

HOUSE BILL NO. 561

1 AN ACT TO AMEND SECTION 41-26-23, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE THE MAXIMUM WATER QUALITY ANALYSIS FEE PER CONNECTION  
3 THAT MAY BE CHARGED BY THE STATE DEPARTMENT OF HEALTH; AND FOR  
4 RELATED PURPOSES.

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

6 **SECTION 1.** Section 41-26-23, Mississippi Code of 1972, is  
7 amended as follows:

8 41-26-23. (1) There is created in the State Treasury a fund  
9 to be designated as the "Drinking Water Quality Analysis Fund."  
10 The fund shall be treated as a special trust fund. Interest  
11 earned on the principal in the fund shall be credited by the  
12 Treasurer to the fund. The fund may receive monies from any  
13 available public or private source, including fees, proceeds and  
14 grants. The department shall expend or utilize monies in the fund  
15 to pay all reasonable direct and indirect costs of water quality  
16 analysis and related activities as required by the federal Safe  
17 Drinking Water Act, as amended. Monies in the fund at the end of  
18 the fiscal year shall be retained in the fund for use in the  
19 succeeding fiscal year. Except as provided in subsection (5) of  
20 this section, if the annual fees collected exceed the cost of  
21 administering the water quality analysis program in that fiscal  
22 year, the excess shall be applied to the cost of administering the  
23 program in the succeeding fiscal year. In the succeeding fiscal  
24 year, the total to be collected from fees shall be reduced by the  
25 excess retained in the fund and the assessment rates shall be  
26 adjusted proportionately.

27 (2) The department annually shall assess and collect fees  
28 for water quality analysis and related activities as required by

29 the federal Safe Drinking Water Act, as amended, which shall not  
30 exceed Three Dollars (\$3.00) per connection or Forty Thousand  
31 Dollars (\$40,000.00) per system, whichever is less. The  
32 department annually shall adopt by rule, in accordance with the  
33 Administrative Procedures Law and following a public hearing, a  
34 fee schedule to cover all reasonable direct and indirect costs of  
35 water quality analysis and related activities as required by the  
36 federal Safe Drinking Water Act, as amended. In adopting a fee  
37 schedule, the department shall consider the recommendations of the  
38 advisory committee created in this section, if those  
39 recommendations are made in a timely manner as provided.

40 (3) An advisory committee is created to study the program  
41 needs and costs for the implementation of the water quality  
42 analysis program and to conduct an annual review of the needs and  
43 costs of administering that program. The annual review shall  
44 include an independent recommendation on an equitable fee schedule  
45 for the succeeding fiscal year. Each annual review report shall  
46 be due to the department by May 1. The advisory committee shall  
47 consist of one (1) member appointed by the Mississippi Rural Water  
48 Association, one (1) member appointed by the Mississippi Municipal  
49 Association, one (1) member appointed by the Mississippi  
50 Association of Supervisors and one (1) member appointed by the  
51 Mississippi Water and Pollution Control Operators Association,  
52 Inc.

53 (4) All suppliers of water for which water quality analysis  
54 and related activities as required by the federal Safe Drinking  
55 Water Act, as amended, are performed by the State Department of  
56 Health shall pay the water quality analysis fee within forty-five  
57 (45) days following receipt of an invoice from the department. In  
58 the discretion of the department, any supplier of water required  
59 to pay the fee shall be liable for a penalty equal to a maximum of  
60 two (2) times the amount of fees due and payable plus an amount  
61 necessary to reimburse the costs of delinquent fee collection for

62 failure to pay the fee within ninety (90) days following the  
63 receipt of the invoice. Any person making sales to customers of  
64 water for residential, noncommercial or nonagricultural use and  
65 who recovers the fee required by this section or any portion  
66 thereof from any customer shall indicate on each statement  
67 rendered to customers that these fees are for water quality  
68 analyses required by the federal government under the Safe  
69 Drinking Water Act, as amended.

70 (5) There is created within the Drinking Water Quality  
71 Analysis Fund an equipment capital expenditure account,  
72 hereinafter referred to as the "account." The department may  
73 transfer any excess fees, not exceeding ten percent (10%) of the  
74 total fees assessed under this section, to the account. The  
75 balance in the account shall not exceed Five Hundred Thousand  
76 Dollars (\$500,000.00). Funds in the account shall be used by the  
77 department, as appropriated by the Legislature, to defray the  
78 costs of purchasing new equipment or repairing existing equipment  
79 for the analysis of drinking water.

80 **SECTION 2.** This act shall take effect and be in force from  
81 and after July 1, 2006.