

By: Representative Yates

To: Public Utilities

HOUSE BILL NO. 698

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

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

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

8 21-27-7. (1) (a) The governing authorities of
9 municipalities shall have the power to erect, purchase, maintain
10 and operate waterworks, and to regulate the same, and to prescribe
11 the rates at which water shall be supplied to the
12 inhabitants * * *. Except as provided in Section 21-27-77, the
13 rates at which water, wastewater, and sewer services shall be
14 supplied shall be just and reasonable, and rates may not be
15 unreasonably preferential, prejudicial or discriminatory but shall
16 be sufficient, equitable and consistent in application to each class
17 of inhabitants.

18 (b) Rates shall be calculated in equitable proportion to
19 the services and benefits rendered. Except as provided in Section



20 21-27-77, the calculation of an inhabitant's bill shall be limited
21 to the actual amount of usage, plus those fees reasonable and
22 necessary for the cost of capital expenses, system operation and
23 maintenance, and debt service.

24 (c) Notice of any change in the rate at which services
25 are supplied shall be posted on all bills sent to inhabitants at
26 least one (1) month prior to the effective date of the rate change.
27 Notice shall also be posted to the municipality's online webpage or
28 bill payment platform, if the municipality has an online webpage or
29 bill payment platform.

30 (d) Nothing in this statute shall be construed as
31 prohibiting an inhabitant or governing authority of any municipality
32 from applying for and receiving any federally or privately
33 subsidized payment assistance, nor shall this statute be construed
34 as prohibiting a municipality from establishing or administering a
35 program under Section 21-27-77.

36 (2) The governing authorities of municipalities shall have
37 the power to acquire by purchase, donation or condemnation, in the
38 name of the municipality, suitable grounds, within or without the
39 corporate limits, upon which to erect waterworks, and also the
40 right-of-way to and from such works and the right-of-way for
41 laying water pipes within the corporate limits, and from such
42 waterworks to the municipality, and to extend such right-of-way
43 from time to time. The governing authorities shall have the power
44 to contract with any person for the maintenance and operation of



45 waterworks. * * * The authorities shall have the power to
46 contract with any person for the erection and maintenance of
47 waterworks for a term not exceeding twenty-five (25) years, fixing
48 water rates in the contract subject to municipal regulations. A
49 contract for the erection or purchase of waterworks shall not,
50 however, be entered into until submitted to a vote of the
51 qualified electors and approved by a majority of those voting. A
52 contract for maintenance under which the person who will perform
53 such maintenance is wholly or partially responsible for fixing
54 water rates shall not be entered into until submitted to a vote of
55 the qualified electors and approved by a majority of those voting.
56 It shall be unlawful for any municipally owned waterworks to
57 supply water free of charge, or in any amount less than the fixed
58 charges, to any person, firm or corporation, except as is
59 expressly authorized by law.

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

62 21-27-189. A municipality, as defined in Section 21-27-163,
63 is authorized and empowered, in the discretion of its governmental
64 authorities, to exercise the following powers and authority within
65 the area and territories comprising the metropolitan area of which
66 it is a part:

67 (a) To operate and manage sewerage systems, sewage
68 treatment facilities and sewage disposal systems and related



69 facilities serving the metropolitan area in conformance with the
70 metropolitan area plan.

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

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

77 (d) To establish and maintain rates and charges in
78 equitable proportion for the use of the services and benefits
79 rendered of such sewerage systems, sewage treatment facilities and
80 sewage disposal systems within the metropolitan area, and from
81 time to time to adjust such rates, to the end that the revenues
82 therefrom will be sufficient at all times to pay the expenses of
83 operating and maintaining such works, facilities and systems and
84 all of the municipality's obligations under any contract or bond
85 resolution with respect thereto. The rates shall be just and
86 reasonable, and rates may not be unreasonably preferential,
87 prejudicial, or discriminatory but shall be sufficient, equitable
88 and consistent in application to each class of inhabitants.

89 (e) To incur short and long-term indebtedness under the
90 provisions of Sections 21-27-161 through 21-27-191 or other
91 applicable statutes.

92 (f) To adopt rules and regulations necessary to carry
93 out the implementation of the metropolitan area plan and to assure



94 the payment of each participating person or public agency of its
95 proportionate share of treatment costs.

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

101 (h) To accept industrial waste for treatment and to
102 require the pretreatment of same when within the opinion of the
103 municipality such pretreatment is necessary.

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

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

115 **SECTION 3.** This act shall take effect and be in force from
116 and after July 1, 2023.

