

By: Senator(s) Carter

To: Energy

SENATE BILL NO. 2338

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

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

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

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

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



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

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

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

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



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

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

61 21-27-189. A municipality, as defined in Section 21-27-163,
62 is authorized and empowered, in the discretion of its governmental
63 authorities, to exercise the following powers and authority within
64 the area and territories comprising the metropolitan area of which
65 it is a part:

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



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

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

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

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

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

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



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

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

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

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

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

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

