

By: Guice

To: Public Utilities

HOUSE BILL NO. 1370

1 AN ACT TO ESTABLISH THE JURISDICTION OF THE PUBLIC SERVICE
2 COMMISSION OVER THE SERVICES AND RATES OF CERTAIN WATER DISTRICTS,
3 SEWER DISTRICTS AND COMBINED WATER AND SEWER DISTRICTS AND
4 NONPROFIT CORPORATIONS; TO PROVIDE THAT THIS ACT SUPERSEDES THOSE
5 PROVISIONS OF LOCAL AND PRIVATE ACTS TO THE CONTRARY; TO AMEND
6 SECTIONS 19-5-177 AND 77-3-5, MISSISSIPPI CODE OF 1972, IN
7 CONFORMITY TO THE PROVISIONS OF THIS ACT; AND FOR RELATED
8 PURPOSES.

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

10 SECTION 1. (1) Notwithstanding any provision of any act of
11 the Legislature to the contrary, the Public Service Commission
12 shall have original jurisdiction over the intrastate business,
13 property, services and rates of a public utility, providing
14 services of the type described in Section 77-3-3(d)(iv) provided
15 by: water districts, sewer districts and combined water and sewer
16 districts incorporated under Sections 19-5-151 through 19-5-207;
17 nonprofit, nonshare corporations providing water services or sewer
18 services, or both, chartered under Title 79, Chapter 11,
19 Mississippi Code of 1972; and those districts created for the
20 purpose of providing water services or sewer services, or both,
21 under local and private acts of the Legislature. However, this
22 section shall apply only if the district or association, or a part
23 thereof, is situated in a county having a population of one
24 hundred thousand (100,000) or more according to the 1990 federal
25 census.

26 (2) This section shall apply to each public utility district
27 or association providing water services or sewer services, or
28 both, in a county having a population of one hundred thousand
29 (100,000) or more which was or is created or incorporated under

Sections 19-5-151 through 19-5-207, Title 79, Chapter 11, Mississippi Code of 1972, or a local and private act of the Legislature before, on or after July 1, 2000. Any provision of a local and private act of the Legislature to the contrary in effect on July 1, 2000, is superseded by this section, and this section shall control over any provision of a local and private act to the contrary which is enacted after July 1, 2000.

SECTION 2. Section 19-5-177, Mississippi Code of 1972, is amended as follows:[HS1]

19-5-177. (1) Any district created under Sections 19-5-151 through 19-5-207, acting by and through the board of commissioners of such district as its governing authority, shall have the following among other powers:

(a) To sue and be sued;

(b) To acquire by purchase, gift, devise and lease or any other mode of acquisition, other than by eminent domain, hold and dispose of real and personal property of every kind within or without the district;

(c) To make and enter into contracts, conveyances, mortgages, deeds of trust, bonds, leases or contracts for financial advisory services;

(d) To incur debts, to borrow money, to issue negotiable bonds, and to provide for the rights of the holders thereof;

(e) To fix, maintain, collect and revise rates and charges for services rendered by or through the facilities of such district, which rates and charges shall not be subject to review or regulation by the Mississippi Public Service Commission except in those instances where the district is a water district, sewer district or combined water and sewer district and the district or a part of the district is situated in a county having a population of one hundred thousand (100,000) or more and in those instances where a city operating similar services would be subject to regulation and review; however, a district may furnish services, including connection to the facilities of the district, free of charge to the county or any agency or department of the county and to volunteer fire departments located within the service area of

67 the district. Each district shall obtain a certificate of
68 convenience and necessity from the Mississippi Public Service
69 Commission for operating * * * water * * * or sewer systems or
70 combined water and sewer systems;

71 (f) To pledge all or any part of its revenues to the
72 payment of its obligations;

73 (g) To make such covenants in connection with the
74 issuance of bonds or to secure the payment of bonds that a private
75 business corporation can make under the general laws of the state;

76 (h) To use any right-of-way, public right-of-way,
77 easement, or other similar property or property rights necessary
78 or convenient in connection with the acquisition, improvement,
79 operation or maintenance of the facilities of such district held
80 by the state or any political subdivision thereof; however, the
81 governing body of such political subdivision shall consent to such
82 use;

83 (i) To enter into agreements with state and federal
84 agencies for loans, grants, grants-in-aid, and other forms of
85 assistance including but not limited to participation in the sale
86 and purchase of bonds;

87 (j) To acquire by purchase any existing works and
88 facilities providing services for which it was created, and any
89 lands, rights, easements, franchises and other property, real and
90 personal necessary to the completion and operation of such system
91 upon such terms and conditions as may be agreed upon, and if
92 necessary as part of the purchase price to assume the payment of
93 outstanding notes, bonds or other obligations upon such system;

94 (k) To extend its services to areas beyond but within
95 one (1) mile of the boundaries of such district; however, no such
96 extension shall be made to areas already occupied by another
97 corporate agency rendering the same service so long as such
98 corporate agency desires to continue to serve such areas. Areas
99 outside of the district desiring to be served which are beyond the

one-mile limit must be brought into the district by annexation proceedings;

(1) To be deemed to have the same status as counties and municipalities with respect to payment of sales taxes on purchases made by such districts;

(m) To borrow funds for interim financing subject to receipt of funds as outlined in Section 19-5-181.

(2) Any district which is incorporated under Sections 19-5-151 through 19-5-207 to provide sewer services may install or provide for the installation of sewage holding tanks at residential properties within the district, if funding for municipal or community sewers has been awarded to the district. The district shall maintain or provide for the maintenance of the sewage holding tank systems. The district may assess and collect from each resident using a sewage holding tank a fee covering the costs of providing the services authorized under this section. When municipal or community sewers are available and ready for use, residences with sewage holding tanks shall be connected to the sewer system.

SECTION 3. Section 77-3-5, Mississippi Code of 1972, is amended as follows:

77-3-5. Subject to the limitations imposed in this article and in accordance with the provisions hereof, the Public Service Commission shall have exclusive original jurisdiction over the intrastate business and property of public utilities. However, the commission shall not have jurisdiction over the production and gathering of natural gas or the sale of natural gas in or within the vicinity of the field where produced, or over the facilities and equipment utilized in any such operations, including, but not limited to, such facilities as separators, scrubbers and gasoline plants of all types. Moreover, the commission shall not have jurisdiction to regulate the rates for the sales:

(a) Of gas, water, electricity or sewage disposal

133 services by municipalities to such persons as the municipalities
134 are authorized by law to serve;

135 (b) Of gas or electricity by cooperative gas or
136 electric power associations to the members thereof as consumers,
137 except as provided by Sections 77-3-15 and 77-3-17, where service
138 is rendered in a municipality;

139 (c) Of water or sewage disposal service by nonprofit
140 corporations or associations in counties having a population of
141 less than one hundred thousand (100,000), where the governing body
142 of such corporation or association is elected by the consumers
143 thereof or appointed by the county board of supervisors; or

144 (d) Of water by districts organized under the
145 provisions of Chapter 45, Laws of 1966-1967, Extraordinary
146 Session.

147 SECTION 4. This act shall take effect and be in force from
148 and after July 1, 2000.