

By: Senator(s) Ross

To: Public Utilities

SENATE BILL NO. 2504

1 AN ACT TO AMEND SECTION 19-5-173, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE REGULATORY POWER OF THE BOARD OF COMMISSIONERS FOR  
3 WATER AND SEWER DISTRICTS; TO AMEND SECTION 19-5-177, MISSISSIPPI  
4 CODE OF 1972, TO PROVIDE THAT THE RATES AND CHARGES OF WATER AND  
5 SEWER DISTRICTS SHALL BE SUBJECT TO REVIEW OR REGULATION BY THE  
6 PUBLIC SERVICE COMMISSION; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 19-5-173, Mississippi Code of 1972, is  
9 amended as follows:

10 19-5-173. The board of commissioners shall have the power to  
11 make reasonable regulations necessary for the provision of  
12 services for which they are authorized by law to provide;  
13 provided, however, that such regulations, except for regulations  
14 of the board relating solely to the provision of fire protection  
15 or garbage disposal services, shall be subject to review and  
16 approval by the Public Service Commission pursuant to Section  
17 77-3-33.

18 **SECTION 2.** Section 19-5-177, Mississippi Code of 1972, is  
19 amended as follows:

20 19-5-177. (1) Any district created under Sections 19-5-151  
21 through 19-5-207, acting by and through the board of commissioners  
22 of such district as its governing authority, shall have the  
23 following among other powers:

24 (a) To sue and be sued;

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



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

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

35           (e) To fix, maintain, collect and revise rates and  
36 charges for services rendered by or through the facilities of such  
37 district, which rates and charges for water and/or sewer services,  
38 notwithstanding any provision of law to the contrary, shall \* \* \*  
39 be subject to review or regulation by the Mississippi Public  
40 Service Commission \* \* \*; however, the district may furnish  
41 services, including connection to the facilities of the district,  
42 free of charge to the county or any agency or department of the  
43 county and to volunteer fire departments located within the  
44 service area of the district. The district shall obtain a  
45 certificate of convenience and necessity from the Mississippi  
46 Public Service Commission for operating of water and/or sewer  
47 systems;

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

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

53           (h) To use any right-of-way, public right-of-way,  
54 easement, or other similar property or property rights necessary  
55 or convenient in connection with the acquisition, improvement,  
56 operation or maintenance of the facilities of such district held  
57 by the state or any political subdivision thereof; however, the  
58 governing body of such political subdivision shall consent to such  
59 use;

60           (i) To enter into agreements with state and federal  
61 agencies for loans, grants, grants-in-aid, and other forms of



62 assistance including but not limited to participation in the sale  
63 and purchase of bonds;

64 (j) To acquire by purchase any existing works and  
65 facilities providing services for which it was created, and any  
66 lands, rights, easements, franchises and other property, real and  
67 personal necessary to the completion and operation of such system  
68 upon such terms and conditions as may be agreed upon, and if  
69 necessary as part of the purchase price to assume the payment of  
70 outstanding notes, bonds or other obligations upon such system;

71 (k) To extend its services to areas beyond but within  
72 one (1) mile of the boundaries of such district; however, no such  
73 extension shall be made to areas already occupied by another  
74 corporate agency rendering the same service so long as such  
75 corporate agency desires to continue to serve such areas. Areas  
76 outside of the district desiring to be served which are beyond the  
77 one-mile limit must be brought into the district by annexation  
78 proceedings;

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

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

84 (2) Any district which is incorporated under Sections  
85 19-5-151 through 19-5-207 to provide sewer services may install or  
86 provide for the installation of sewage holding tanks at  
87 residential properties within the district, if funding for  
88 municipal or community sewers has been awarded to the district.  
89 The district shall maintain or provide for the maintenance of the  
90 sewage holding tank systems. The district may assess and collect  
91 from each resident using a sewage holding tank a fee covering the  
92 costs of providing the services authorized under this section.  
93 When municipal or community sewers are available and ready for



94 use, residences with sewage holding tanks shall be connected to  
95 the sewer system.

96       **SECTION 3.** This act shall take effect and be in force from  
97 and after its passage.

