

By: Senator(s) Browning

To: Environment Prot, Cons  
and Water Res

SENATE BILL NO. 2962  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 19-5-151, MISSISSIPPI CODE OF 1972, TO  
2 CLARIFY THE INCORPORATION OF RURAL WATER ASSOCIATIONS INTO WATER  
3 DISTRICT; TO PROVIDE THAT THE PUBLIC SERVICE COMMISSION SHALL  
4 REVIEW CERTAIN DISPUTES BETWEEN CUSTOMERS AND CERTAIN WATER  
5 DISTRICTS WITHIN THE THREE COASTAL COUNTIES AFFECTED BY HURRICANE  
6 KATRINA; TO PROVIDE FOR THE REPEAL OF SUCH REVIEW; AND FOR RELATED  
7 PURPOSES.

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

9 SECTION 1. Section 19-5-151, Mississippi Code of 1972, is  
10 amended as follows:

11 19-5-151. (1) Any contiguous area situated within any  
12 county of the state, and not being situated within the corporate  
13 boundaries of any existing municipality, and having no adequate  
14 water system, sewer system, garbage and waste collection and  
15 disposal system, or fire protection facilities serving such area,  
16 may become incorporated as a water district, as a sewer district,  
17 as a garbage and waste collection and disposal district, as a fire  
18 protection district, as a combined water and sewer district, as a  
19 combined water and garbage and waste collection and disposal  
20 district, as a combined water and fire protection district, or as  
21 a combined water, sewer, garbage and waste collection and disposal  
22 and fire protection district, in the manner set forth in the  
23 following sections.

24 (2) If the certificated area \* \* \* of a nonprofit, nonshare  
25 corporation chartered under the Mississippi Nonprofit Corporation  
26 Act for the purpose of owning and operating rural waterworks lies  
27 in one county, the corporation may become incorporated as a water  
28 district in the manner set forth in Section 19-5-153(3). If the  
29 nonprofit, nonshare corporation's certificated area lies in more

30 than one (1) county, the procedure in Section 19-5-164 shall be  
31 used.

32 **SECTION 2.** (1) In addition to the voluntary review and  
33 arbitration of billing, rate and service disputes between a water  
34 district and a customer by the Public Service Commission as  
35 provided under Sections 19-5-177 and 77-3-6, a customer may  
36 petition the Public Service Commission to investigate, review and  
37 hold a hearing on billing, rate and service disputes between the  
38 customer and a water district as provided in this section.

39 (2) If a customer files a petition with the Public Service  
40 Commission, the commission shall investigate, review and hold a  
41 hearing on the dispute if the following conditions are met:

42 (a) The water district was formed under Section  
43 19-5-151 et seq.;

44 (b) The water district had over three thousand eight  
45 hundred (3,800) water connections at the time of the dispute;

46 (c) The dispute is more than Two Thousand Five Hundred  
47 Dollars (\$2,500.00) as provided in Section 77-3-6; and

48 (d) The water district lies within the three (3)  
49 coastal counties affected by Hurricane Katrina.

50 (3) If the Public Service Commission determines that the  
51 rates, charges or fees to be unjust, unreasonable or unreasonably  
52 discriminatory, the rates, charges or fees shall be set aside and  
53 the commission shall determine and fix such rates, charges or fees  
54 as provided under Section 77-3-39.

55 (4) This section shall repeal on July 1, 2009.

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