

By: Senator(s) Bryan

To: Public Health and Welfare

SENATE BILL NO. 2740

1 AN ACT TO AMEND SECTION 41-26-23, MISSISSIPPI CODE OF 1972,  
 2 TO INCREASE MISSISSIPPI STATE DEPARTMENT OF HEALTH FEES FOR WATER  
 3 QUALITY ANALYSIS AND RELATED ACTIVITIES FROM \$3.00 TO \$5.50 PER  
 4 CONNECTION OR FROM \$40,000.00 TO \$50,000.00 PER SYSTEM, WHICHEVER  
 5 IS LESS; TO GRANT THE DEPARTMENT THE AUTHORITY, WITH ADVISORY  
 6 COMMITTEE APPROVAL, TO ADJUST THE FEE IN RELATION TO THE PRODUCER  
 7 PRICE INDEX; TO PROVIDE THAT THE FEE MAY BE INCREASED NO MORE THAN  
 8 TWO TIMES DURING THE PERIOD FROM JULY 1, 2025, THROUGH JUNE 30,  
 9 2028; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 41-26-23, Mississippi Code of 1972, is  
 12 amended as follows:

13 41-26-23. (1) There is created in the State Treasury a fund  
 14 to be designated as the "Drinking Water Quality Analysis Fund."  
 15 The fund shall be treated as a special trust fund. Interest  
 16 earned on the principal in the fund shall be credited by the  
 17 Treasurer to the fund. The fund may receive monies from any  
 18 available public or private source, including fees, proceeds and  
 19 grants. The department shall expend or utilize monies in the fund  
 20 to pay all reasonable direct and indirect costs of water quality  
 21 analysis and related activities as required by the federal Safe



22 Drinking Water Act, as amended. Monies in the fund at the end of  
23 the fiscal year shall be retained in the fund for use in the  
24 succeeding fiscal year. Except as provided in subsection (5) of  
25 this section, if the annual fees collected exceed the cost of  
26 administering the water quality analysis program in that fiscal  
27 year, the excess shall be applied to the cost of administering the  
28 program in the succeeding fiscal year. In the succeeding fiscal  
29 year, the total to be collected from fees shall be reduced by the  
30 excess retained in the fund and the assessment rates shall be  
31 adjusted proportionately.

32 (2) The department annually shall assess and collect fees  
33 for water quality analysis and related activities as required by  
34 the federal Safe Drinking Water Act, as amended, which shall not  
35 exceed \* \* \* Five Dollars and Fifty Cents (\$5.50) per connection  
36 or \* \* \* Fifty Thousand Dollars (\$50,000.00) per system, whichever  
37 is less. The department is granted authority and, with approval  
38 of the advisory committee created in this section, may adjust the  
39 fee in relation to the Producer Price Index. Except as otherwise  
40 provided by law, the fee may be increased no more than two (2)  
41 times during the period from July 1, 2025, through June 30,  
42 2028. \* \* \* The department annually shall adopt by rule, in  
43 accordance with the Administrative Procedures Law and following a  
44 public hearing, a fee schedule to cover all reasonable direct and  
45 indirect costs of water quality analysis and related activities as  
46 required by the federal Safe Drinking Water Act, as amended. In



47 adopting a fee schedule, the department shall consider the  
48 recommendations of the advisory committee created in this section,  
49 if those recommendations are made in a timely manner as provided.

50 (3) An advisory committee is created to study the program  
51 needs and costs for the implementation of the water quality  
52 analysis program and to conduct an annual review of the needs and  
53 costs of administering that program. The annual review shall  
54 include an independent recommendation on an equitable fee schedule  
55 for the succeeding fiscal year. Each annual review report shall  
56 be due to the department by May 1. The advisory committee shall  
57 consist of one (1) member appointed by the Mississippi Rural Water  
58 Association, one (1) member appointed by the Mississippi Municipal  
59 Association, one (1) member appointed by the Mississippi  
60 Association of Supervisors and one (1) member appointed by the  
61 Mississippi Water and Pollution Control Operators Association,  
62 Inc.

63 (4) All suppliers of water for which water quality analysis  
64 and related activities as required by the federal Safe Drinking  
65 Water Act, as amended, are performed by the State Department of  
66 Health shall pay the water quality analysis fee within forty-five  
67 (45) days following receipt of an invoice from the department. In  
68 the discretion of the department, any supplier of water required  
69 to pay the fee shall be liable for a penalty equal to a maximum of  
70 two (2) times the amount of fees due and payable plus an amount  
71 necessary to reimburse the costs of delinquent fee collection for



72 failure to pay the fee within ninety (90) days following the  
73 receipt of the invoice. Any person making sales to customers of  
74 water for residential, noncommercial or nonagricultural use and  
75 who recovers the fee required by this section or any portion  
76 thereof from any customer shall indicate on each statement  
77 rendered to customers that these fees are for water quality  
78 analyses required by the federal government under the Safe  
79 Drinking Water Act, as amended.

80 (5) There is created within the Drinking Water Quality  
81 Analysis Fund an equipment capital expenditure account,  
82 hereinafter referred to as the "account." The department may  
83 transfer any excess fees, not exceeding ten percent (10%) of the  
84 total fees assessed under this section, to the account. The  
85 balance in the account shall not exceed Five Hundred Thousand  
86 Dollars (\$500,000.00). Funds in the account shall be used by the  
87 department, as appropriated by the Legislature, to defray the  
88 costs of purchasing new equipment or repairing existing equipment  
89 for the analysis of drinking water.

90 **SECTION 2.** This act shall take effect and be in force from  
91 and after July 1, 2025.

