

By: Representative McMillan

To: Public Utilities

HOUSE BILL NO. 1563
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 21-27-13, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE THAT TWO MEMBERS OF A MUNICIPAL UTILITY COMMISSION MUST
3 BE CUSTOMERS WHO RECEIVE SUCH UTILITY SERVICE AT A LOCATION
4 OUTSIDE THE BOUNDARIES OF THE MUNICIPALITY; TO AMEND SECTION
5 41-26-101, MISSISSIPPI CODE OF 1972, TO REQUIRE ALL MEMBERS OF A
6 GOVERNING BOARD OF ANY COMMUNITY PUBLIC WATER SYSTEM TO ATTEND
7 MANAGEMENT TRAINING; TO BRING FORWARD SECTION 41-26-3, MISSISSIPPI
8 CODE OF 1972, FOR PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED
9 PURPOSES.

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

11 **SECTION 1.** Section 21-27-13, Mississippi Code of 1972, is
12 amended as follows:

13 21-27-13. (1) The governing authorities of any municipality
14 which now owns and operates, or hereafter shall own and operate,
15 any system or systems shall have the power and authority to create
16 a commission to control, manage and operate such systems, or any
17 one or more of them, which said commission shall consist of not
18 less than three (3) nor more than * * * seven (7) commissioners,
19 two (2) of which must be customers who receive residential service
20 provided by such utility at a location outside the boundaries of
21 the municipality, to be elected by the governing authorities of



22 such municipality. In any municipality operating under the
23 council-manager plan of government, such commissioners shall be
24 selected by, and shall be under the control of, the mayor and
25 councilmen of the municipality, and not the city or town manager.
26 Such commissioners shall have the power, authority and duty to
27 manage and control said system or systems and the supply of the
28 facilities and services thereof, both within and without the
29 limits of the municipality. Such commissioners shall be qualified
30 electors of the municipality and shall not hold any other
31 municipal office for honor or profit. Such commissioners shall
32 receive such compensation as may be specified and provided by the
33 governing authorities of said municipality; provided, however,
34 that any commission formed for the purpose of establishing a motor
35 vehicle transportation system for the transportation of passengers
36 within the boundaries of the governmental unit or units concerned,
37 and within three (3) miles thereof, may pay its commissioners from
38 the operating budget of such commission per diem compensation in
39 the amount provided by Section 25-3-69 for each day or fraction of
40 a day engaged in attendance of meetings of the commission or
41 engaged in other official duties of the commission, not to exceed
42 forty-five (45) days in any one (1) year. The governing
43 authorities of the municipality are hereby authorized and
44 empowered to require such commissioners to furnish bonds for the
45 faithful performance of their duties, in the amount as may be
46 deemed proper, and to pay the premiums thereon from the municipal



47 treasury or the available funds of the said system or systems.
48 Where there are three (3) members of such commission, the term of
49 office shall be for a period of three (3) years, and where there
50 are four (4) members the term of office shall be for a period of
51 four (4) years, and where there are five (5) members the term of
52 office shall be for a period of five (5) years. However, in
53 making the first appointment of commissioners, one (1) shall be
54 appointed for a term of one (1) year, one (1) for a term of two
55 (2) years, one (1) for a term of three (3) years and, where
56 necessary, one (1) for a term of four (4) years, and one (1) for a
57 term of five (5) years, so that thereafter the term of office of
58 one (1) commissioner shall expire each year. Where the governing
59 authorities of the municipality do not elect to create a
60 commission as herein provided, then any system or systems owned
61 and operated by the municipality shall be controlled and managed
62 by the governing authorities of the municipality, who shall have
63 all the power and authority conferred upon such commission.

64 (2) Notwithstanding any other provision of law, in any
65 municipality that establishes a utility board or commission that
66 provides utility services both within and outside the corporate
67 limits of the municipality, and more than twenty percent (20%) of
68 the customers live outside of the corporate limits, the governing
69 authorities of each county in which the utility provides service
70 outside the municipal limits shall have the authority to appoint
71 one (1) member each to the utility board or commission, provided



72 that no more than two (2) total members shall be appointed under
73 this subsection.

74 (3) Each county governing authority eligible to make an
75 appointment under this section shall make such appointment within
76 sixty (60) days after the municipality has appointed its initial
77 members to the utility board or commission.

78 (4) If a county governing authority fails to appoint a
79 member within the sixty-day period prescribed in subsection (3) of
80 this section, the governing authorities of the municipality shall
81 have the authority to appoint the remaining member or members that
82 would have otherwise been appointed by the county or counties.

83 (5) Members appointed pursuant to this section shall meet
84 all qualifications, terms of service, and ethical requirements
85 applicable to members of the utility board or commission under
86 this chapter and shall represent the interests of utility
87 customers residing outside the municipal boundaries.

88 **SECTION 2.** Section 41-26-101, Mississippi Code of 1972, is
89 amended as follows:

90 41-26-101. (1) (a) Each member elected or reelected after
91 June 30, 1998, to serve on a governing board of any community
92 public water system * * * shall attend a minimum of eight (8)
93 hours of management training within two (2) years following the
94 election of that board member. Any member failing to complete the
95 management training within two (2) years after his or her election
96 shall be subject to removal from the board by the remaining



97 members. If a board member has undergone training and is
98 reelected to the board, that board member shall not be required to
99 attend training as provided by this subsection.

100 (b) Additionally, each member of a governing board of a
101 community public water system that receives a "D" or "F" rating
102 from the Department of Health according to the provisions of House
103 Bill No. 1632, 2026 Regular Session, shall attend a minimum of
104 eight (8) hours of management training within two (2) years
105 following receipt of a "D" or "F" rating, even if such member has
106 previously completed training prior to receipt of such rating.
107 Any such member failing to complete the management training within
108 two (2) years after receipt of such "D" or "F" rating shall be
109 subject to removal from the board by the remaining members.

110 (2) The management training shall be organized by the State
111 Department of Health, in cooperation with the Mississippi Rural
112 Water Association and other organizations. The management
113 training shall include information on water system management and
114 financing, rate setting and structures, operations and
115 maintenance, applicable laws and regulations, ethics, the duties
116 and responsibilities of a board member and other information
117 deemed necessary by the department after consultation with the
118 association and other organizations. The department shall develop
119 and provide all training materials. The association and other
120 training organizations may charge a fee in the amount of
121 Seventy-five Dollars (\$75.00) per member plus the cost of the



122 manual and materials. These costs shall be reimbursed to the
123 board member as an expense of the community public water system.

124 (3) Two (2) officers of each board shall also obtain an
125 additional four (4) hours of updated and advanced training within
126 a four-year period. The term "officers" shall include the legally
127 responsible official of the community public water system and the
128 mayor, mayor pro tem, the president, and the vice president of the
129 board. If one (1) of the officers is not able to attend the
130 training, then he or she may appoint someone from among the
131 existing board to attend in his or her place; however, the board
132 member attending this training must have first completed the eight
133 (8) hours of management training. This training will be held at a
134 time and place that will accommodate those members who have other
135 responsibilities. The training shall consist of, but not be
136 limited to, updated regulatory rules and regulations, an in depth
137 look at the Mississippi Nonprofit Corporation Act as well as any
138 updated information that would aid them in making decisions for
139 their utility system. The association and other training
140 organizations may charge a fee in the amount of Twenty-five
141 Dollars (\$25.00) per member plus the cost of the material needed
142 for the training. These costs shall also be reimbursed to the
143 board member as an expense of the community water system.

144 (4) To avoid board members having to interfere with their
145 jobs or employment, management training sessions may be divided
146 into segments and, to the greatest extent possible, shall be



147 scheduled for evening sessions. The department shall conduct
148 management training on a regional basis and shall use community
149 college or other public facilities for the convenience of board
150 members.

151 (5) The department may make exceptions to and grant
152 exemptions and variances to the requirements of this section for
153 good cause shown.

154 **SECTION 3.** Section 41-26-3, Mississippi Code of 1972, is
155 brought forward as follows:

156 41-26-3. For purposes of this chapter, the following terms
157 shall have the meaning ascribed herein unless the context clearly
158 indicates otherwise:

159 (a) "Administrator" means the Administrator of the U.S.
160 Environmental Protection Agency or the administrator's designee.

161 (b) "Board" means the Mississippi State Board of
162 Health.

163 (c) "Community public water system" means a public
164 water system serving at least fifteen (15) individual service
165 connections used by year-round consumers or regularly servicing at
166 least twenty-five (25) individual consumers year-round.

167 (d) "Construction" means any placement, assembly or
168 installation of facilities or equipment, including contractual
169 obligations to purchase those facilities or equipment, at the
170 location where the equipment will be used, including any
171 preparation work at any location.



172 (e) "Contaminant" means any physical, chemical,
173 biological or radiological substance or matter in water.

174 (f) "Cross connection" means any direct interconnection
175 between a public water system and a nonpublic water system or
176 other source which may result in the contamination of the drinking
177 water provided by the public water system.

178 (g) "Department" means the Mississippi State Department
179 of Health.

180 (h) "Director" means the State Health Officer or the
181 health officer's designee.

182 (i) "Federal act" means the Safe Drinking Water Act of
183 1974, as amended, principally codified as 42 USCS Section 300(f)
184 et seq.

185 (j) "Federal agency" means any department, agency or
186 instrumentality of the United States.

187 (k) "Interested party" means any person claiming an
188 interest in the water system operation that is the subject of the
189 hearing and who may be affected by the water system.

190 (l) "Maximum contaminant level" means the maximum
191 permissible level of a contaminant in water which is delivered to
192 any user of a public water system.

193 (m) "Municipality" means a city, town, village or other
194 public body created by state law, or an Indian tribal organization
195 authorized by law.



196 (n) "National primary drinking water regulations" means
197 primary drinking water regulations promulgated by the
198 administrator under the federal act.

199 (o) "Nontransient, noncommunity public water system"
200 means a public water system that is not a community water system
201 and that regularly serves at least twenty-five (25) of the same
202 persons over six (6) months per year.

203 (p) "Person" means an individual, corporation, company,
204 association, partnership, municipality or federal agency.

205 (q) "Public water system" means a system for providing
206 to the public piped water for human consumption through pipes or
207 other constructed conveyances if the system has at least fifteen
208 (15) service connections or regularly serves at least twenty-five
209 (25) individuals. The term includes but is not limited to:

210 (i) Any collection, treatment, storage and
211 distribution facilities under control of the operator of the
212 system and used primarily in connection with the system; and

213 (ii) Any collection or pre-treatment storage
214 facilities not under the control which are used primarily in
215 connection with the system.

216 (r) "Semi-public water system" means a system for the
217 provision to the public of water for human consumption through
218 pipes or other constructed conveyances if the system has more than
219 one (1) but less than fifteen (15) service connections.



220 (s) "Supplier of water" means any person who owns, or
221 controls a public water system.

222 (t) "Violator" means a public water system, an officer
223 or director of a public water system, an operator, certified or
224 otherwise, or any other person designated by a public water system
225 or the department as the official responsible for the operation of
226 a public water system.

227 **SECTION 4.** This act shall take effect and be in force from
228 and after July 1, 2026.

