

HOUSE BILL 826

IN THE HOUSE

February 15, 1979	Introduced and referred to Committee on State Administration.
February 21, 1979	Committee recommend bill, do not pass.
February 22, 1979	Report adopted.

1
2 INTRODUCED BY

Hayes BILL NO. *826*

Tommy Dean Olsen, Hoffmann, Sule
Harwitz, P. R. Olmstead, R. B. R.

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXCLUDE MUNICIPALLY
5 OWNED SEWER SYSTEMS FROM PUBLIC SERVICE COMMISSION
6 RATEMAKING PROCEDURE AND PROVIDING FOR A PROCEDURE TO
7 CHALLENGE SUCH RATES; AMENDING SECTIONS 7-13-144 AND
8 69-3-101, MCA."
9

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

11 NEW SECTION. Section 1. Municipally owned sewer
12 systems not subject to ratemaking procedures -- challenging
13 of rates. (1) Municipally owned sewer systems are not
14 subject to the ratemaking procedures provided for in Title
15 69, chapter 3, part 3.

16 (2) Rates set by municipally owned sewer systems may
17 be challenged if 25 electors or 15% of the electors,
18 whichever is greater, file a complaint with the public
19 service commission to the effect that the rates collected
20 for the services, facilities, and benefits afforded by a
21 municipally owned sewer system are unreasonable or unjustly
22 discriminatory. The public service commission shall, upon
23 public hearing thereon, file its findings and determination
24 stating therein in what respect, if any, the rates are
25 unreasonable or unjustly discriminatory. The affected

1 municipality shall immediately readjust its rates so as to
2 remove any unreasonable or unjustly discriminatory features
3 found by the public service commission.

4 Section 2. Section 69-3-101, MCA, is amended to read:
5 "69-3-101. Meaning of term public utility. The term
6 "public utility", within the meaning of this chapter, shall
7 embrace every corporation, both public and private, company,
8 individual, association of individuals, their lessees,
9 trustees, or receivers appointed by any court whatsoever,
10 that now or hereafter may own, operate, or control any plant
11 or equipment or any part of a plant or equipment within the
12 state for the production, delivery, or furnishing for or to
13 other persons, firms, associations, or corporations, private
14 or municipal:

- 15 (1) heat;
- 16 (2) street-railway service;
- 17 (3) light;
- 18 (4) power in any form or by any agency;
- 19 (5) water for business, manufacturing, household use,
20 or sewerage service except as provided for in [section 1],
21 whether within the limits of municipalities, towns, and
22 villages or elsewhere;
- 23 (6) telegraph or telephone service."

24 Section 3. Section 7-13-144, MCA, is amended to read:
25 "7-13-144. Resolution to establish service charges --

1 hearing -- limitations and tax levy. The board of county
2 commissioners shall have authority, by resolution and after
3 public hearing:

4 (1) to fix and establish the sewer rates, charges, and
5 rentals at amounts sufficient in each year ~~not to exceed \$7~~
6 ~~per-unit-user-per-year~~ to provide income and revenues
7 adequate for the payment of the reasonable expense of
8 operation and maintenance of the system;

9 (2) to fix and establish an additional charge ~~not to~~
10 ~~exceed \$7 per-unit-user-per-year~~ for the operation and
11 maintenance of a sanitary and storm sewer system and of a
12 sewage treatment plant; and

13 (3) to levy and to assess a tax upon the taxable
14 valuation of each and every lot or parcel of land and
15 improvements thereon in the district ~~not in excess of 2~~
16 ~~mills on each dollar of taxable valuation~~ to provide
17 sufficient revenues for the reserve fund of the amounts
18 necessary to meet the financial requirements of such fund as
19 described in 7-13-151 through 7-13-156.

20 (4) All rates, charges, and rentals set by the board
21 of county commissioners may be challenged as provided for in
22 [section 11]."

-End-

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